

House Transportation & Defense Committee

Minutes
2007



MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 10, 2007

TIME: 1:00 PM

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Moyle, Roberts, Bedke, Wills, Nonini, Mortimer, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Roberts

GUESTS: Julie Pipal, Idaho Transportation Department

Chairman Wood called the meeting to order at 2:35 PM.

Chairman Wood introduced the new members of the committee Representative King, Ruchti, and Mortimer, secretary, Chris Taylor, page, Amanda Cayler and guest Julie Pipal from the Idaho Transportation Department.

Chairman Wood explained the committee will be getting a new member to replace Representative McKague in the near future.

Chairman Wood asked Representative Ringo and Smith (24) to proof the minutes.

Chairman Wood asked if the committee would like to receive their minute books. The secretary will make a copy of the minutes available to each committee member for approval at committee meetings. They will be kept in the members' minute books and the secretary will keep these books.

Chairman Wood also asked if the committee members would still like the reminder agendas on their desk the day before the meeting. Everyone agreed that they would still like to have them.

Chairman Wood reminded the committee all RS's should be cleared through her before taking them to the secretary.

Chairman Wood appointed two sub-committees to review the rules. Representative Hart will chair one with members Representative Nonini, Wills, and Ruchti as members. Representative Mortimer will chair the second sub-committee with Representative Roberts, Bedke, and King as members. Some of the rules will be presented to the whole committee for consideration, rather than a subcommittee.

ADJOURN: Meeting adjourned at 2:45 PM.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 16, 2007

TIME: 1:30 PM

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Moyle, Bedke

GUESTS: Randy Nilson, Ted Spangler, State Tax Commission

Chairman Wood called the meeting to order at 1:33 PM.

Chairman Wood introduced and welcome **Representative Hagedorn** to the committee.

Representative Ringo made the motion to accept the minutes of January 10, 2007, as written. **Motion approved by voice vote.**

Chairman Wood introduce Randy Nilson, State Tax Commission, who presented the rules.

**Docket No.
35-0105-0601**

Rule 105: to clarify that: 1) Only gaseous fuels (propane and natural gas) delivered into the supply tank of a registered motor vehicle should be reported as taxable gallons on the licenses gaseous fuels distributor's report. 2) Motor vehicles are registered in Idaho, not licensed. 3) All untaxed gaseous fuels delivered into the supply tank of motor vehicles must be accounted for by a licensed gaseous fuels distributor.

Rule 270: Amend Motor Fuels Rule 270 to include other types of refunds granted in Rule 290 that would exclude consumers from using the proration method in Subsection 06.a. and the multi storage tank method in 06.b. of this rule. The reason these consumers are excluded is because they are required to account for the tax-paid gallons placed in the supply tank of the motor vehicle. To clarify that motor vehicles are registered in Idaho, not licensed.

Rule 290: Amend Motor Fuels Rule 290 to rename "Statutory miles per gallon" to "Presumed miles per gallon" in subsection 01.d. The miles per gallons for motor vehicles with a weight of 6,000 lbs. or less needs to be lowered to reflect the actual miles per gallon this weight class achieves under normal working conditions.

Rule 292: Amend Motor Fuels Rule 292 to rename statutory MPG to presumed MPG to match the name in Rule 290. To clarify that motor vehicles are registered in Idaho, not licensed.

Rule 400: Amend Motor Fuels Rule 400 to add a class of motor vehicles (a motor vehicle with three(3) or more axles regardless of weight) to this rule that is currently required to obtain an IFTA license.

MOTION: Rep Wills made motion to approve Docket No. 35-0105-0601
Rules 105, 270, 290, 292, 400. Motion approved unanimously.

ADJOURN: Chairman Wood adjourned the meeting at 1:55 PM.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 18, 2007

TIME: 1:00 PM

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representatives Roberts, Bedke

GUESTS: See attached sign in sheet and presenters highlighted below.

Vice Chairman Hart called the meeting to order at 1:05 p.m. and explained Chairman Wood had a conflict and would arrive later.

MOTION: **Rep. Smith(24)** made the motion to accept the minutes of January 16, 2007 as written. **Motion approved.**

RS16524C1 **Regina Phipps**, Vehicle Size and Weight Specialist for Commercial Vehicle Services Section, with the Idaho Transportation Department presented RS16524C. This legislation proposes changes to Idaho Code 49-1010. This proposed change would add a line to 49-1010 (6) to allow saddlemount combinations to operate up to 97 feet when traveling on the National Network System only. This change is required to keep Idaho in compliance with a Federal law change that occurred with the passage of SAFTEA-LU in 2005.

MOTION: **Rep. Wills** made a motion to introduce RS16524C1 to print. A voice vote was taken on the motion. **Motion approved.**

RS16555 **Chris Engels**, Permit Program Supervisor for Commercial Vehicle Services Section, with the Idaho Transportation Department presented RS16555 with a proposed change to Idaho Code 49-202. This legislation would waive the \$10 fee for a letter of Temporary Vehicle Clearance to Idaho based motor carrier customers who process their commercial vehicle registrations online. A Temporary Vehicle Clearance allows a motor carrier customer to operate until they receive their permanent credentials. This proposal has been brought before the Motor Carrier Advisory Committee and Industry and has received their agreement.

A question was asked referencing the number of customers using the online service for temporary vehicle clearance documents (TVC) and the lost of revenue if the \$10 fee was waived. Chris Engels said there are about 7000 customers that use online services, but of those customers the numbers would be estimates of how many use the online service for TVC. There would be a loss of revenue.

A question was then asked if there was any discussion on how the lost

revenue would be made up. Chris Engels indicated that in their discussions the loss of revenue would be made up in a reduction of administrative costs that accompany issuing the TVC's out of their office.

MOTION: **Rep Smith(24)** made the motion to introduce RS16555 to print. A voice vote was taken. **Motion approved.**

RS16556 **Chris Engels** presented RS16556 with proposed changes to Idaho Code 49-431 and 49-437. The first proposed change is to 49-431(2) and 49-432(3) The proposed change will delete any reference to refunds in 49-431 (2) & (3) and allow refunds as stated under 49-434(6). Section 49-434 (6), IC states that when vehicle ownership changes, the unexpired portion of the registration fee may be refunded if the owner does not transfer the plate to another vehicle and the plate, sticker, and registration are surrendered to the Department. The proposed change to IC 49-437, would clarify that when an owner changes the registered weight of a vehicle during a registration year, the weight change shall not result in a refund of the fees already paid. The proposed changes have been brought before the Motor Carrier Advisory Committee and has received their agreement.

Vice Chairman Hart turned the gavel over to Chairman Wood.

MOTION: **Rep Wills** made the motion to introduce RS16556 to print. A voice vote was taken. **Motion approved.**

RS16557 **Chris Engels** presented RS16557 with proposed changes to Idaho Code 49-434 and 49-443. The proposed legislation will change 49-434 (9). This change will allow motor carrier customers to purchase permanent registration for commercial trailers at a cost of \$105. This would replace the current 7 year option. The second proposed change is to 49-443 (2). This legislation would exempt the permanent trailer plates from the requirement to be re-issued every 7 years. The Motor Carrier Advisory Committee is in agreement with these changes.

MOTION: **Rep. Nonini** made the motion to introduce RS16557 to print. A voice vote was taken. **Motion approved.**

Docket No.
39-0222-0601 **Chris Engels** presented Docket Number 39-0222-0601. The entire rule has been reorganized and updated to recognize the new method of fee payments, based on registration and permit fees, per Senate Bill 1580, 2000. Changes also address quarterly reporting requirements, installment payments, refunds, delinquent or non-payment of fees, suspension or revocation of a customer account and methods of payment. Late penalty fee of 10% plus 1% per month for failure to pay installment payment on Commercial Vehicle Registration by due date, and \$40 fee to reinstate suspended payment plan account or reinstate customer account for non-payment authorized per Section 49-439(7), Idaho Code. \$20 fee for non-sufficient fund check authorized per Section 28-22-105, Idaho Code.

A question was asked because of all the changes in this rule do you believe the department has cover all their bases. Chris Engels stated that

a staff of 6 had reviewed the changes numerous times and she believed all the bases were covered.

A question was asked about all the stricken language having to do with audits. Chris Engels stated because audits are now done by the Idaho Tax Commission not the Transportation Department the language is no longer needed in this rule.

A question was asked if the customer or the Transportation Department absorbs the cost of using a credit card to pay for fees. **Dave Tolman** the controller for The Transportation Department said the ITD absorbs the cost which amounted to \$191,000 last year. There was concern voiced about this amount and what might be done in the future to alleviate the cost to the department. Mr. Tolman said they were looking at ways to accomplish this and hoped to have it in place by July 2007 the beginning of the fiscal year.

MOTION: **Rep Smith (24)** made a motion to approve Docket No. 39-0222-0601. A voice vote was taken. **Motion approved.**

DOCKET No. 39-0321-0601 **Chris Engels** presented Docket Number 39-0321-0601. Fees collected by the overlegal permit program are intended to cover the administrative costs associated with permit processing, issuance and enforcement. As stated in this rule (100), and as approved by the Legislature, those costs are to be borne by the permittees and not by the general traveling public. (Tax supported agencies must obtain permits but are exempt from fees.) A 2005 cost study determined that administrative costs exceed permit receipts by more than \$800,000. An increase of \$15 per permit issued in this program will increase receipts by approximately \$1,000,000. Each of the Overlegal permits specified in this rule which allow movement of vehicles or loads which are in excess of the sizes or weights allowed in sections 49-1001, 49-1002, or 49- 1010, Idaho Code, will be increased by \$15 to cover the administrative costs associated with permit processing, issuance and enforcement. The majority of annual permits, currently issued at \$28 would increase to \$43. The Transportation Board is authorized to issue permits and set establish fees in Sections 49-201 and 49-1004, Idaho Code.

Chris Engels used a *Permit Fee Increase Fact Sheet* to help explain the need for the rule change. **Attachment #1.** The committee had a lengthy discussion on the fact sheet and the 2005 cost study in conjunction with the rule change.

There was a typo error found on page 29. 04. b. The rule will be corrected by the next committee meeting on Monday, January 22.

MOTION **Rep Mortimer** made the motion to hold Docket 39-0321-0601 until the next committee meeting Monday, January 22. A voice vote was taken. **Motion approved.**

DOCKET NO. 39-0362-0601 **Brent Jennings**, Highway Operations and Safety Engineer for the Division of Highways at the Idaho Transportation Department, presented Docket Number 39-0362-060. The purpose of this rule is to incorporate provisions to allow attractions, 24-hour Pharmacies and "RV" friendly symbols on Logos signs in addition to "Gas", "Food", "Lodging" and

“Camping” type sign panels. An attraction is defined as a tourist oriented facility that provides amusement, historical, cultural or leisure activities to the public. The rule increases the Logos sign application fee from \$75 to \$100 thereby making it consistent with the fee for changing a sign design. The Logo Trailblazer sign fee of \$100 is deleted and replaced with an annual \$25 fee which will offset some costs of installation and going maintenance labor and the post assembly.

MOTION: **Rep Wills** made a motion to approve Docket No. 39-0362-0601. A voice vote was taken. **Motion approved.**

DOCKET NO. 39-0364-0601 **Brent Jennings** also presented Docket Number 39-0364-0601. The purpose of this rule is to incorporate provisions for “RV” friendly symbols on tourist oriented directional signs (TODS) and highway signing for business facilities located in a bypassed community. The document incorporated by reference has been revised to reflect the current edition, including subsequent revisions of the “Manual of Uniform Traffic Control Devices” as adopted by the state on April 1, 2005. A number of changes are also made in the administration and sign design sections of this document. This rule-making adds a \$25 installation fee for TODS trailblazer signs which covers the cost to fabricate the signs, not the labor or materials to install. It also adds a \$50 fee for sign relocation (removal and reinstallation). Both have been added to maintain consistency between the standards for TODS and Logos.

Mr. Jennings distinguished the difference between the Logos and the TODS. The Logos are those signs used on our Interstate Highways and TODS are signs used on state highways and other state roads.

MOTION: **Rep Nonini** made a motion to approve Docket No. 39-0364-0601. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 2:45 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE HART SUB-COMMITTEE

DATE: January 18, 2007

TIME: 3:00 p.m.

PLACE: Room 412

MEMBERS: Chairman Hart, Representative Wills, Nonini, Ruchti

**ABSENT/
EXCUSED:** None

GUESTS: See sign in sheet and highlighted presenters.

Chairman Hart called the meeting to order at 3:05 p.m.

**DOCKET NO.
39-0322-0601** **Regina Phipps**, Idaho Transportation Department, presented Docket Number 39-0322-0601. The proposed rulemaking is necessary for compliance with House Bill 561, effective July 1, 2006. The code changes prohibit the use of single tires on single axles or within groups of axles, except for steering axles, self-steering variable load suspension axles, or unless equipped with wide-base tires fifteen inches wide or greater. Use of the "super-single" tire contributes to more efficient trucking due to the greater distribution of weight which allows more payload per trip and possibly fewer trips, resulting in lower operating costs and reduced emissions.

MOTION: **Rep Wills** made a motion to recommend to the full committee Docket Number 39-0322-0601 be approved. **Motion approved.**

**DOCKET NO.
11-1301-0602** **Lieutenant W. L. Reese**, Idaho State Police, presented Docket Number 11-1301-0602. This proposed amendment reorganizes Section 019.01 of IDAPA Rule 11.13.01, which adopts motor carrier safety requirements by reference. It retains all existing language, and adds a new subsection b. to clarify those federal safety regulations applicable only to intrastate motor carriers operating vehicles weighing between 10,001 to 26,000 pounds. Small business owners who only have a few vehicles and rarely travel far from the town where their business is located own many of these vehicles. The owners of these company's were required to keep the same records as a company that had larger over the road trucks that travel all over the state. This exempts those intrastate carriers from certain federal motor carrier safety regulations previously imposing unnecessary administrative burdens on this class of carriers.

MOTION: **Rep Wills** made a motion to recommend to the full committee Docket Number 11-1301-0602 be approved. **Motion approved.**

**DOCKET NO.
39-0343-0601** **Damon Allen**, Idaho Transportation Department, presented Docket Number 39-0343-0601. This housekeeping item would update the website and office addresses referenced in the rule. This would allow for expedient access for all interested parties to access our policy, procedures and manuals governing utility and RR work on the highway

system.

MOTION: **Rep Nonini** made a motion to recommend to the full committee Docket Number 39-0343-0601 be approved. **Motion approved.**

DOCKET NO. 39-0345-0601 **Leonard Hill**, Idaho Transportation Department, presented Docket Number 39-0345-0601. This rule was first adopted by order of the Governor in 2005 to implement SB1083 which was passed to allow local government entities to acquire surplus ITD property at a negotiated price less than the appraised value. During the 2006 legislative session the temporary rule was not approved because of the order of priority for offering surplus ITD property failed to recognize the highest priority for sale of surplus property valued under \$10,000 as being the contiguous property owner as set out in Idaho Code. The rule now gives first priority to purchase surplus ITD property valued under \$10,000 to contiguous property owners.

A question was asked if the property is valued above \$10,000 what is the priority of disposal of surplus property. Mr. Hill referred to sections 302, 303, and 304 which describes the order of disposal for all appraised property and that section 301 clarifies what happens with property valued below \$10,000.

A concern about SB 1083 and this rule being tied together was voiced.

MOTION: **Rep Nonini** made a motion to recommend to the full committee Docket Number 39-0345-0601 be rejected. Rep Hart, Nonini voted yes and Rep Ruchti, Wills voted No.

DOCKET NO. 39-0407-0601 **Frank Lester**, Idaho Transportation Department, presented Docket Number 39-0407-0601. The 2005 Legislature amended Section 21-114, Idaho Code, Registration of Pilots and Aircraft, and Section 46-1006, Idaho Code, Powers and Duties of Chief and Bureau, by placing the coordination of search and rescue under the direction and supervision of the Chief of the Bureau of Homeland Security while requiring aerial search and rescue operations be coordinated by the Idaho Transportation Department, Division of Aeronautics.

MOTION: **Rep Wills** made a motion to recommend to the full committee Docket Number 39-0407-0601 be approved. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 3:43 p.m.

Representative Phil Hart
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 22, 2007

TIME: 1:00 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Moyle, Bedke, Shepperd (2), Ringo

GUESTS: See the attached sign in sheet and highlighted presenters below.

Chairman Wood called the meeting to order at 1:35 p.m.

Chairman Wood announced the first item on the agenda Docket Number 39-0321-0601 would be moved to a later date.

RS16493 **Laura Johnson**, Department of Agriculture, presented RS16493. This legislation amends the membership of the interagency working group of the integrated freight transportation program by adding a representative of the department of agriculture. Agriculture often has unique transportation issues particularly relating to perishable commodities. The department of agriculture has long been involved in agricultural transportation issues and was a part of the 2001 interagency study group created by the Idaho Legislature to study Idaho's rail situation. This legislation will provide for additional expertise on the working group.

MOTION: **Rep Nonini** made a motion to introduce RS16493 to print. **Motion approved.**

Chairman Wood announced Representative Wills would sit in as a member of Representative Mortimer's subcommittee.

ADJOURN: There being no further business the meeting was adjourned at 1:42 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE MORTIMER SUB-COMMITTEE

DATE: January 22, 2007

TIME: 1:45 p.m.

PLACE: Room 412

MEMBERS: Chairman Mortimer, Roberts, Bedke, Wills, King

**ABSENT/
EXCUSED:** None

GUESTS: See the attached sign in sheet and highlighted presenters.

Chairman Mortimer called the meeting to order at 1:45 p.m.

**DOCKET NO.
11-1301-0601** **Captain Lamont Johnston**, Idaho State Police, presented Docket Number 11-1301-0601. The Federal Carrier Motor Carrier Safety agency issued a final rule August 25, 2005 revising CFR 395 "Hours of Service for Drivers". The revised rule goes into effect October 1, 2005. The Idaho State Police receives federal grant MCSAP funds that require it to enforce this rule. Failure to enforce this rule will result in the loss of those funds. Update the incorporated reference of 49 CFR 395 to the August 25, 2005 version.

MOTION: **Rep Wills** made a motion to recommend to the full committee Docket Number 11-1301-0601 be approved. **Motion approved.**

**DOCKET NO.
39-0207-0601** **Barry Takeuchi**, Idaho Transportation Department, presented Docket Number 39-0207-060. Proposed changes bring this rule into conformity and compliance with code changes in 2006 HB 727, effective July 1, 2006. The bill mandates that all vehicles that have been declared a total loss enter the salvage program and be issued a salvage certificate of ownership, establishes criteria to require a branded certificate for repaired or reconstructed vehicles, and includes a requirement for dealers to disclose title brands to purchasers, protecting consumers by identifying that the vehicle was previously declared a salvage vehicle. Prior to the changes, the Salvage Vehicle law and rule addressed on vehicles that were five years old or newer at the time they were declared salvage, or had a preincident value of over \$6,000. With the law change in 2006, totaled vehicles previously exempt due to older age and lower value are now included in the program so insurance companies, salvage pools and the department are required to issue salvage certificates for these older, less valuable vehicles and consumers are required to re-file them for titles that will carry the brand, "Reconstructed Vehicle".

MOTION: **Rep Roberts** made a motion to recommend to the full committee Docket Number 39-0207-0601 be approved. **Motion approved.**

**DOCKET NO.
39-0224-0601**

Barry Takeuchi, Idaho Transportation Department, presented Docket Number 39-0224-0601. The proposed changes clarify the department's requirements regarding proof of legal ownership, enabling the department to require sufficient ownership documentation prior to titling, thereby limiting the department's and the state's liability by reducing the risk associated with titling vehicles imported from another country (grey market vehicle) without the legal ownership documents. This may reduce the risk to owners in other countries as well as U.S. consumers, by preventing the titling of potentially stolen vehicles. A grey market vehicle is a vehicle that was built in another country for use outside of the U.S., and was not originally manufactured to meet federal DOT safety standards or EPA emission standards.

A question was asked if there is a size limitation on a "Grey Market Vehicle". Mr. Takeuchi said there is no size limitation any vehicle that would be traveling on the roads would need to comply with the rule regardless of size.

MOTION:

Rep King made a motion to recommend to the full committee Docket Number 39-0224-0601 be approved. **Motion approved.**

**DOCKET NO.
39-0273-0601**

Ed Pemble, Idaho Transportation Department, presented Docket Number 39-0273-0601. This rule-making is necessary for compliance with Idaho Code changes in House Bill 462, effective July 1, 2006, which lowers the age requirement to receive an insurance premium reduction benefit for taking the Accident Prevention Course, from age 65 years or older to age 55 years or older. It provides a definition of an Accident prevention course and clarifies the course standards for an "accident prevention course" and a "defensive drive class" for violation point count reduction mentioned in IDAPA 39.02.71 are the same.

MOTION:

Rep King made a motion to recommend to the full committee Docket Number 39-0273-0601 be approved. **Motion approved.**

**DOCKET NO.
39-0311-0601**

Regina Phipps, Idaho Transportation Department, presented Docket Number 39-0311-0601. The first proposed change sets a standard criteria that department personnel will use to determine if and when a traffic control plan will be required, after an overlegal permit request is made. The second change is due to ever increasing traffic volumes in and around certain urban areas during the hours of high-commuter traffic (6:30 a.m. to 8:30 a.m. and 4:00 p.m. to 6:00 p.m.), this rule is being modified to restrict over-width (change from 12 feet to 13 feet) permitted vehicles from operating on certain sections of both state and interstate highways in those specified locations. During the high commuter traffic time these overlegal vehicles will be required to travel in the furthest right hand lane. There is a minimal impact to industry since they are already subject to high commuter traffic restrictions on non-interstate state highways.

MOTION:

Rep Bedke made a motion to recommend to the full committee Docket Number 39-0311-0601 be approved. **Motion approved.**

ADJOURN: There being no further business Chairman Mortimer adjourned the meeting at 2:14 p.m.

Representative Dean M. Mortimer
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 24, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Wills

GUESTS: See attached sign-in sheet and highlighted presenters.

Chairman Wood called the meeting to order at 1:30 p.m.

MOTION: Rep Smith (24) made a motion to accept the minutes from the January 18, 2007 as written. **Motion approved.**

Rep Nonini made a motion to accept the minutes from the January 22, 2007 as written. **Motion approved.**

RS16655 **Lt. Col. David Dahle**, Military, presented RS16655. This proposal amends the existing I.C. sections 32-717 and 33-3719. It extends legal protections previously given to deploying members of the state National Guard to other members of the military reserves when they deploy in regard to custody of children and student status at state educational institutions.

MOTION: **Rep Bedke** made a motion to introduce RS16655 to print. A voice vote was taken on the motion. **Motion approved.**

RS16656 **Lt. Col. David Dahle**, Military, presented RS16656. This legislation amends the existing section I.C. 46-407 to extend employment protections previously given to members of the state National Guard, to Idaho employees who belong to the National Guard of another state, when called to State Active Duty by the National Guard of another state.

A question was asked what other surrounding states have a similar law. Lt. Col. Dahle said currently Washington and Oregon have this in their statutes.

A question was asked if this would involve only National Guard reserves or other military reserves. Lt. Col. Dahle said this is a status that is only invoked by the Governor as commander-in-chief of his state's National Guard and applies to National Guard reservists not other military reservists.

MOTION: **Rep Smith (24)** made a motion to introduce RS16656 to print. A voice vote was taken. **Motion approved.**

- RS16660** **Lt. Col. David Dahle**, presented RS16660. This proposal is to correct out-dated language and clarify the Adjutant General's statutory authority to provide brevet promotions to retiring officers, warrant officers and enlisted members. These promotions are honorary and without pay increase.
- MOTION:** **Rep Nonini** made a motion to introduce RS16660 to print. A voice vote was taken. **Motion approved.**
- RS16661** **Lt. Col. David Dahle**, presented RS 16661. This proposal provides the Adjutant General statutory authority to call National Guard members on an individual basis to special duty with pay on behalf of the state, provided such call-up is with the consent of the member.
- MOTION:** **Rep Ringo** made a motion to introduce RS16661 to print. A voice vote was taken. Rep Ruchti and Mortimer voted nay. **Motion approved.**
- RS16532** Hal Putman, Idaho Transportation Department, presented RS16532. This legislation will delete from a list of persons "that shall not be licensed", a person who is a "habitual drunkard" or "addicted to the use of narcotic drugs". These terms are undefined in statute. If left unchanged, the statute creates a concern about ITD's liability for acts of such persons.
- Through a discussion about the definitions of "habitual drunkard" and "addicted to the use of narcotic drugs" it was concluded there was other language in the code that prohibited the Department from issuing a driver's licence to such a person if that person was suspended from driving by the court for any length of time.
- MOTION:** **Rep Moyle** made the motion to introduce RS16532 to print. A voice vote was taken. **Motion approved.**
- RS16543** Hal Putman, Idaho Transportation Department, presented RS16543. This legislation will bring Idaho into compliance with federal requirements for commercial driver licensing brought about by the federal Motor Carrier Safety Improvement Act (MCSIA) of 1999. This provision prohibits the issuance of a restricted driving permit that would allow for the operation of a commercial motor vehicle during a period of suspension as a result of driving without privileges court order.
- MOTION:** **Rep Smith (24)** made a motion to introduce RS16532 to print. There was concern with the language used in section 18-8001 page 3, line 40 "who has been disqualified" and line 41 "have been" which resulted in a substitute motion by Representative Ringo. **Rep Ringo** made a substitute motion to introduce RS16532 (RS16532C1) with the phrase on page 3 line 40 "who has been disqualified" changed to "who is disqualified" and page 3 line 41 "have been suspended" to "are suspended". A voice vote was taken. **Motion approved.**
- DOCKET NO. 39-0321-0601** Julie Pipal, Idaho Transportation Department presented information to the committee that explained the overlegal permits costs and the reason for the needed fee change. The distribution of the collected fee money goes to the highway distribution account which means it goes through a formula that distributes money to ITD, local government and ISP. With that in mind

the revenue acquired by the overlegal permits will not cover the administrative costs of the program. Nothing could be found in Idaho Code that states what the distribution should be for the overlegal permit fees. The Attorney General will be asked to clarify Idaho Code in regard to the distribution of these fees.

MOTION: **Rep Roberts** made a motion, Docket Number 39-0321-0601 be held at the call of the chair. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 2:42 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: January 26, 2007

TIME: 10:00 a.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representatives Smith (24), Moyle, Bedke, Wills, Shepperd (2), Ringo

GUESTS: See attached sign-in sheet and highlighted presenters below.

H42 **Laura Johnson**, Department of Agriculture, presented **H42**. This legislation amends the membership of the interagency working group of the integrated freight transportation program by adding a representative of the department of agriculture. Agriculture often has unique transportation issues particularly relating to perishable commodities. The department of agriculture has long been involved in agricultural transportation issues and was a part of the 2001 interagency study group created by the Idaho Legislature to study Idaho's rail situation. This legislation will provide for additional expertise on the working group.

MOTION: **Rep Ruchti** made a motion to send **H42** to the floor with a do pass recommendation. **Motion approved.** Rep Wood will carry the bill on the floor.

H35 **Regina Phipps**, Vehicle Size and Weight Specialist for Commercial Vehicle Services Section, with the Idaho Transportation Department presented **H35**. This legislation proposes changes to Idaho Code 49-1010. This proposed change would add a line to 49-1010 (6) to allow saddlemount combinations to operate up to 97 feet when traveling on the National Network System only. This change is required to keep Idaho in compliance with a Federal law change that occurred with the passage of SAFTEA-LU in 2005.

In answer to a question, Ms. Phipps stated that the previous length for saddlemount combinations was 75 feet and on the non-national network system it will still be 75 feet.

MOTION: **Rep Roberts** made a motion to send **H35** to the floor with a do pass recommendation. **Motion approved.** Rep Hart will carry the bill on the floor.

H36 **Chris Engels**, Permit Program Supervisor for Commercial Vehicle Services Section, with the Idaho Transportation Department presented **H36** with a proposed change to Idaho Code 49-202. This legislation would waive the \$10 fee for a letter of Temporary Vehicle Clearance to Idaho

based motor carrier customers who process their commercial vehicle registrations online. A Temporary Vehicle Clearance allows a motor carrier customer to operate until they receive their permanent credentials. This proposal has been brought before the Motor Carrier Advisory Committee and Industry and has received their agreement.

In response to a question, Ms. Engels stated there is no administrative costs when these customers print their own permits electronically.

MOTION: **Rep Hagedorn** made a motion to send **H36** to the floor with a do pass recommendation. **Motion approved.** Rep Nonini voted Nay. Rep King will carry the bill on the floor.

H37 **Chris Engels** presented **H37** with proposed changes to Idaho Code 49-431 and 49-437. The first proposed change is to 49-431(2) and 49-432(3). The proposed change will delete any reference to refunds in 49-431(2) & (3) and allow refunds as stated under 49-434(6). Section 49-434 (6), IC states that when vehicle ownership changes, the unexpired portion of the registration fee may be refunded if the owner does not transfer the plate to another vehicle and the plate, sticker, and registration are surrendered to the Department. The proposed change to IC 49-437, would clarify that when an owner changes the registered weight of a vehicle during a registration year, the weight change shall not result in a refund of the fees already paid. The proposed changes have been brought before the Motor Carrier Advisory Committee and has received their agreement.

MOTION: **Rep King** made a motion to send **H37** to the floor with a do pass recommendation. **Motion approved.** Rep Ruchti will carry the bill on the floor.

H38 **Chris Engels** presented **H38** with proposed changes to Idaho Code 49-434 and 49-443. The proposed legislation will change 49-434 (9). This change will allow motor carrier customers to purchase permanent registration for commercial trailers at a cost of \$105. This would replace the current 7 year option. The second proposed change is to 49-443 (2). This legislation would exempt the permanent trailer plates from the requirement to be re-issued every 7 years. The Motor Carrier Advisory Committee is in agreement with these changes.

MOTION: **Rep Mortimer** made a motion to send **H38** to the floor with a do pass recommendation. **Motion approved.** Rep Nonini voted Nay. Rep Mortimer will carry the bill on the floor.

ADJOURN: There being no further business to come before the committee, the meeting was adjourned at 10:24 a.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE HART SUB-COMMITTEE

DATE: January 26, 2007

TIME: 10:28 a.m.

PLACE: Room 412

MEMBERS: Chairman Hart, Wills, Nonini, Ruchti

**ABSENT/
EXCUSED:** Representative Wills

Chairman Hart called the meeting to order at 10:28 a.m.

Chairman Hart explained that Docket Number 39-0345-0601 complies with the statute and even if we do not agree with it we will have to send it to the full committee with a recommendation to approve it.

MOTION: **Rep. Ruchti** made a motion to recommend to the full committee Docket Number 39-0345-0601 be approved. A voice vote was taken. **Motion approved.**

ADJOURN: Chairman Hart adjourned the meeting at 10:32 a.m.

Representative Phil Hart
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE JOINT MEETING

DATE: Tuesday, January 30, 2007

TIME: 1:30 p.m.

PLACE: JFAC Room - Third Floor Statehouse

MEMBERS PRESENT: Chairman JoAn Wood, Vice Chairman Phil Hart, Representatives Leon Smith(24), Mike Moyle, Scott Bedke, Richard Wills, Bob Nonini, Dean Mortimer, Marv Hagedorn, Mary Lou Shepherd, Shirley Ringo, Phyllis King, and James Ruchti.

MEMBERS ABSENT/ EXCUSED: Representative Ken Roberts

OTHERS IN ATTENDANCE: This was a joint meeting of the Senate Transportation Committee and the House Transportation and Defense Committee. Member from the Senate attending included **Chairman McGee, Vice Chairman Hammond, Senators Geddes, Keough, Little, Corder, Heinrich, Langhorst, and Malepeai**

The sign-in sheets, charts, graphs, and power point slides will be retained in the House committee's office, Room 411, until the end of the 2007 legislative session, and then will be on file with the minutes in the Legislative Services Library. (Basement E).

CONVENED: The meeting convened at 1:32 p.m. to hear a presentation by the Idaho Transportation Department (ITD). **Chairman McGee** and **Chairman Wood** co-chaired the meeting. **Chairman McGee** introduced **Darrell Manning**, Chairman of the Idaho Transportation Board. Both of the committees are honored and appreciative for having the Transportation board members and the Idaho Transportation Department staff present today.

INTRODUCTION: Idaho Transportation Board **Chairman Manning** introduced other members of the Transportation Board in attendance.

- **Hugh McHugh**, District 1, Post Falls
- **Bruce Sweeney**, District 2, Lewiston
- **Monte McClure**, District 3, Meridian
- **Gary Blick**, District 4, Castleford
- **John Combo**, District 6, Idaho Falls
- **Neil Miller**, District 5, Blackfoot

Chairman Manning explained, collectively, these gentlemen have almost 70 years of service on the Idaho Transportation Board. **Mr. Combo** has served on the board since 1990. **Mr. Manning** thanked the committees for the opportunity to share the board's mission,

accomplishments, and challenges. The board works closely with the ITD staff, and through regular meetings and budget workshops try to understand and set policies for the state, and wisely invest the transportation dollars for the state of Idaho. This afternoon, **Pamela Lowe**, director of the Idaho Transportation Department since January 16, 2007, will introduce the presentation.

Ms. Lowe reported that since the last time the ITD met with the committees, we have had a number of major changes in the executive team at the Idaho Transportation Department, including her self. Recently, **Scott Stokes** was appointed as deputy director of ITD. Mr. Stokes was the District 1 engineer in northern Idaho. She also introduced the department's new administrators.

- **Matt Moore**, administrator, Division of Transportation Planning and Programing
- **Alan Frew**, administrator, Division of Motor Vehicles
- **Susan Simmons**, acting administrator, Division of Aeronautics. Ms. Simmons is also the administrator of the Division of Administration
- **Steve Hutchinson**, ITD Chief Engineer
- **Larry Falkner**, administrator, Division of Public Transportation

Other staff acknowledged were **Rik Hinton**, technical writer, and **Jeff Stratten**, Public Affairs Officer at ITD. These men were involved in developing and operating the power point presentation for today's meeting. Their efforts are greatly appreciated.

Ms. Lowe reported that the ITD has had a lot of accomplishments, and an annual report is being delivered to legislators today. She reported that a new interchange has opened in Nampa and also Idaho Falls, and major work has been done on U.S. Highways 95, 30 and 91. ITD is proud of that work. That information and other data are included in the annual report.

Ms. Lowe acknowledged that a lot of information legislators will require will be included in the presentation today, but some questions would be asked about items not included in the presentation. The department is committed to getting answers to any legislator's questions as soon as possible.

Steve Hutchinson, chief engineer and division administrator for the Division of Highways at the Idaho Transportation Department, reported that the core responsibilities for the employees within the division are planning, designing, construction management and quality assurance, and maintenance and operations of the roads, bridges and appurtenances on the state highway system. These efforts are performed focusing on safety and environmental stewardship.

The Division of Highways budget request for Fiscal Year 2008 is \$434 million. These funds will be used to manage and operate the 12,000 lane-mile highway systems.

In the last year, the division implemented Context-Sensitive Solutions, a statewide Traveler Service System, an electronic bidding procedure to aid contractors, and a Safe Routes to School Program to take advantage of opportunities provided in the latest Federal Highway Act.

Mr. Hutchinson explained that ITD performed extensive community outreach to identify impacts from numerous projects. We assisted the Atlanta Highway District and the Bureau of Homeland Security in repairing flood damaged access to the city of Atlanta. These efforts are examples of our commitment to address the concerns of those whom ITD impacts daily.

There were several major highway projects completed or started during 2006.

Projects completed include:

- I-15 Sunnyside Interchange in Idaho Falls,
- I-84 Karcher Interchange in Nampa,
- I-84 new Blacks Creek rest area (10 miles east of Boise),
- U.S. 91 Preston to the Utah state line,
- U.S. 93 Twin Falls alternate route, Phase 1,
- U.S. 95 Lewiston to Thorn Creek (between Moscow and Genesee),
- U.S. 95 Moyle River Bridge, near Eastport, and
- Idaho 200 Kootenai Cutoff Road Intersection, Sandpoint.

Projects started include:

- U.S. 30 Topaz to Lava Hot Springs,
- U.S. 95 Milepost 536 to Canadian Border,
- U.S. 95 Genesee to Thorn Creek,
- U.S. 95 Long Bridge Pedestrian Underpass, Sandpoint, and
- I-84 Franklin Interchange, Caldwell.

There was significant activity during 2006 to ensure that the facilities, currently in place or planned, continued to provide the services expected by the public. Pavements, bridges, safety, and future project development were all emphasized.

He explained that the ITD continues to emphasize pavement performance throughout the state. This has become an ever increasing challenge due to the extreme inflation in the cost of materials that has occurred over the last two years.

Idaho's fatality trend, the number of deaths annually, has been essentially level for the last 16 years. This comes even with the increased vehicle miles traveled on the system.

The reduction in traffic fatalities and injuries continue to be both an Idaho and national emphasis. While the Idaho fatality rate is higher than the national average, it is typical of rural states and continues to improve.

The use of safety restraints, which improves vehicle occupant safety, continues to improve in Idaho. It is still slightly behind the national

average, and well behind those states with primary seat belt laws.

Of the 275 fatalities in 2005, 126 were not using seat belts. It has been proven that seat belts improved the chances of surviving an accident by about 50 percent (50%).

A Governor's Highway Safety Summit was held last year to increase the focus on highway safety. This effort brought together safety professionals, first responders, interest groups, elected officials, and transportation providers to develop strategies to improve highway safety.

The most recent Federal Act, SAFETEA-LU, (Safe, Accountable, Flexible, Efficient Transportation Equity Act-Legislation) elevated safety to a core federal program. The summit set the ground work for Idaho to respond to this federal change. One of the outcomes of the Safety Summit will be a Strategic Highway Safety Plan. This plan is required by SAFETY-LU in order to access the funding provided in the federal program. The goal of the plan is to identify all opportunities to improve highway safety in Idaho. An ambitious goal to reduce highway fatalities by specific dates is being established. That plan is expected to be in draft form within the next six weeks.

A large part of the Division of Highway's success is the result of collaborating with others, working with all levels of government, the private sector, special interest groups, and the public.

Mr. Hutchinson gave an example of how ITD partnered with federal, state and local agencies, special interest groups, and the Congressional delegation, to remove two culverts that prohibited fish passage on streams flowing under State Highway 87, near Henry's Lake. As a result of this cooperative effort, many additional miles of spawning habitat were opened for this world famous trout fishery.

ITD and our contractors continue to improve the product provided to the public. The awards received for the concrete reconstruction on Interstate 84, between Glens Ferry and King Hill, are an example of these efforts.

The road report has been incorporated into a comprehensive Traveler Information System that is available on the Internet, and by dialing 511 on your telephone. The system is continuing to be improved and enhanced to better serve the customer.

Senator Keough, District 1, asked about the rehabilitated or reconstructed improved pavements. How does this compare to previous years? Are we making progress and getting ahead? She recalled a report in 2004 that showed the number of deficient lane miles we have and pavement conditions. She would like to know if we are gaining or not.

Mr. Hutchinson explained that information will be shown later during this presentation, but he will get any level of details she would like to have regarding pavements. ITD did come up a little bit, but it has leveled off and that is where we are at this time.

Representative King, District 18, explained she has a constituent who

has asked about motorcycle safety. Does ITD keep any separate statistics on motorcycles vs. automobiles vs. pedestrian? **Mr. Hutchinson** reported that the Office of Highway Safety does keep separate records. That information will be sent to her. ITD does keep records on accidents and fatalities for each of the different areas.

Representative Nonini, District 5, asked about the traffic fatality trends. Does ITD have numbers regarding Highway 95, and how it might compare with national averages, or is it just a statewide number? **Mr. Hutchinson** explained that data can be obtained for any highway, any segment of any highway. In fact, ITD does that as they do project planning, early in the planning stage, to establish how we are going to develop the project. **Representative Nonini** would appreciate receiving that information.

Representative Hart, District 3, asked about seat belt usage. How does ITD collect the data in Idaho? **Mr. Hutchinson** reported the data collected is done through surveys, throughout the state. It is a random survey.

Susan Simmons, acting administrator for the Division of Aeronautics at the Idaho Transportation Department introduced **Rodger Sorenson**, Chairman of the Aeronautics Advisory Board. She reported that the Division of Aeronautics strives to provide a high quality, effective, efficient and safe aviation system for all users. The Division assists in airport planning and development through state and federal grants. It also maintains a system of state-supported airports.

Aeronautics has a budget of \$2.9 million, and a staff of 13 full-time employees. This program maintains the state's 30 airports (mostly remote). Promotes safety and education throughout the aviation community, and facilitates search operations for downed and/or missing aircraft across the state. The division operates the state-owned aircraft for government officials and state employees' use.

In addition, the Airport Development Program provides financial assistance to municipal airports in association with federal or other aid in the planning, acquisition, construction, improvements, maintenance and/or operations of airports throughout the state. This support provides local communities with match requirements for federal aid, as well as state grants for airports that do not qualify for federal aid. Dollars are allocated: \$150,000 to seven (7) commercial service airports, \$215,000 to 28 general aviation airports (match for federal funds), and \$276,000 to six (6) or eight (8) community airports (state-aid only grants).

In addition to the funding, the division provides broad-based technical assistance to airports and the aviation community throughout the state.

In Fiscal Year 2006, the division registered more than 2,400 pilots and 2,100 aircraft. Maintained 30 state-owned airports utilized by a variety of individuals for multiple use including recreation, emergency access, and fire suppression. Provided ten safety and training seminars to include instructor refresher and density altitude clinics to 335 attendees.

Susan Simmons also presented a review of the division's services. The division provides a variety of core business functions across the department to include legal, financial, budgeting, information technology, facilities, and employee services including human resources, EEO (employee equal opportunity), and employee safety. This program, through the board and the director's office, sets the overall strategic direction of the department. The \$22.3 million budget provides administrative, legal, and facilities management to all six (6) divisions within the department, and the GARVEE (Grant Anticipation Revenue vehicles) program.

The division provides ongoing day-to-day operations support provided for the entire \$550 million budget. This includes financial accounting, accounts payable, accounts receivable/cash receipting, general ledger, purchasing, inventory, and fixed asset accounting. Also, human resource support for more than 1,800 plus employees, This includes hiring, disciplinary actions', workers' compensation, and safety. Information technology infrastructure and support of 1,800 plus workstations internally, and 300 plus workstations in the county offices, and server support for all 115 major software applications throughout the Transportation Department.

In 2006, the division completed some major projects. ITD implemented a new financial/procurement/human resource management system. Efficiencies accomplished with this new system improved integration of applications, a new federal aid billing module, on-line time sheets and implementation of a cost allocation system.

ITD completed the Information Technology transition, and focused on ITD's projects that are strategically aligned. At headquarters, we consolidated and reduced equipment from 129 stand-alone servers to 57, and are in the process of consolidating the ITD's printing with our print operations. The estimated savings will be \$8,000 per month. We established standards in technical architecture to support communications and ITD infrastructures statewide.

ITD coordinated efforts to improve workforce retention and recruitments. Including pay adjustments that resulted in pay increased to all employees. Additional funds were allocated to targeted positions that were experiencing recruitment and retention difficulties. In reviewing the last nine (9) months' data, these actions seemed to have stabilized turnover in the position targeted.

Ms. Simmons reported the Division of Administration developed several partnerships, particularly in the technology arena. The State Controller's Office now hosts all of the department's mainframe applications. ITD eliminated its underutilized mainframe, saving the department \$35,000 a month, and allowed us to reallocate the duties of three (3) staff positions. ITD renegotiated our software contract with Microsoft and expect to save an additional \$100,000 per year. In a public/private partnership, we deployed secure satellite communications with all maintenance sites. We also co-wrote a successful \$2.3 million grant with the Bureau of Homeland Security and the Idaho State Police to support an emergency managed services.

ITD partnered with the Division of Professional Technical Education to provide instruction for the flagger certification classes.

ITD is also working with the Idaho State Police (ISP) to allow them, if appropriated, to build new offices in Couer d'Alene on the department's District 1 site. Currently, ITD shares sites throughout the state with ISP, and this would continue the partnership the two agencies have had for many years.

The division has one new line-item for FY2008. It is for completion of the ship and supply building at the department's District 4 site in Shoshone. In FY2007, the Idaho Transportation Department was appropriated funds to complete the administration building. This line-item would complete the site renovation. Some of the buildings to be replaced are World War II Quonset huts that were surplus, and originally used as maintenance facilities in Stanley and Arco. In the late 1950s, they were disassembled and moved to the Shoshone District 4 site. The buildings do not have power or heat. This would complete the District 4 site.

Chairman Wood asked about the 565 classes provided to contractors and employees. What kinds of classes are provided to contractors? **Ms. Simmons** explained that ITD provides a training process that basically includes contractors who are required to have certification based on the federal rules.

Chairman Wood also asked about the completion of the magnesium chloride storage tanks - has that program been completed? **Ms. Simmons** did not have the statics available today, but she will send the requested information to Chairman Wood.

Chairman Wood asked about the status of the computer program. Where are we on bringing our computer program up to where we are efficient with outlying providers that do our licensing, do our permits, etc.? **Ms. Simmons** reported that information will be included in the presentation. ITD is basically looking at doing a front-end application which would change the computers and the system that interface to the main-frame at the county location. **Chairman Wood** asked, are we just beginning to do that? What cost is ITD asking in the budget for that project? **Pamela Lowe** explained that ITD has broken that proposed project into several phases. The first phase would replace the interface with the counties. The Legislature gave ITD \$3 million last year for some DMV (Division of Motor Vehicles) upgrade work. ITD believes it can do Phase 1 and all the county interfaces with new equipment, as well as some upgrades, getting rid of those database systems within that \$3 million. In addition, ITD is in the process of getting some grants from various federal sources. With that grant money and the \$3 million, ITD believes it can do that work without requesting additional funding.

Senator Corder, District 22, asked about the ITD's effort to improve workforce retention, recruitment, and turnover. How does that compare with other states? What was the cause for a turnover above normal? **Ms. Lowe** stated that ITD's turnover issues resulted from a lot of the engineering and technical series classes, where we had basically not kept up with the market as far as the salary needs. Our employees were

beginning to think ITD did not support them as employees. By the efforts we took last year, and we did give significant increases to all ITD staff, some areas targeted received bigger increases, and those increases were due as to where they were in-line with the market, how long they had been in their job, and what technical knowledge they needed to have. Therefore, we structured the changes after looking at other states. The workforce is an issue in other states as well, as far as retaining and keeping engineers in that technical field. We took a strong effort when we allocated an additional \$1 million last year in salary to the technicians and the engineers' series.

Senator Hammond, District 5, explained that he hears, both externally and internally and from e-mails he receives, there are still concerns about the turnover rate. He asked are you tracking that in any way to see district-by-district how we are doing? It does matter in areas where unemployment is very low, and where construction on the private side is high. You are competing for those technical positions as well as those engineering positions. He hopes ITD is tracking that area, and will have more responses to the problems that are still occurring.

Ms. Simmons explained that ITD is and will continue tracking those problems. One issue is demographic and where people are located. We have not come up with a solution to address, or whether we should address, those demographic areas that are different. We have discussed that plight extensively. ITD recognizes the fact there are areas more difficult to recruit in, and some of that can be addressed from maybe 50 workloads, but we are concerned about the problem. We have heard them, too.

Representative Smith, District 24, explained he has an unsettling issue that may need to be referred to the ITD's legal division. He has a copy of a decision that was handed down three (3) days ago which takes away all liability for a farmer or a rancher whose cow gets out on the Interstate, in areas which we call "open range" and there is no liability as a result of this decision. There used to be language about when there is a fence on both sides, there was some responsibility for the cattle's owner, but that has now been stricken. He wants Ms. Simmons to pass this decision onto the ITD legal division to determine if they want to promote any legislation that would at least make it illegal with some liability for the landowner. A little Honda Civic doing 75 miles per hour at night and runs into a cow will not do much for the Honda Civic. He asked Ms. Simmons to pass that information on to the legal division. **Ms. Simmons** will be happy to do that.

Representative Hagedorn, District 20, asked about the percentage of the administrative costs for the total ITD budget for 2006, and what it was for 2007? **Ms. Simmons** does not have those numbers with her today, but she will send the information to him.

Representative Hart, District 3, referred back to the question asked by **Senator Corder**, District 22, regarding engineers. What percent salary increase was given? **Ms. Simmons** explained they ranged anywhere from as low as 3 percent (3%) to some as high as 20 percent (20%),

depending upon the technical series. With this targeted position, ITD did give significant raises because they were \$10 or \$11 per hour, and in order to get them where they could compete with the local government. **Representative Hart** asked about the plans for the coming year for those categories. **Ms. Simmons** emphasized that it depends on what the Legislature appropriates to ITD and the CEC (changes in employee compensation) dollars and how we plan to target or utilize that money will determine the result.

Senator Hammond explained that he has asked the fiscal analysts for that information, and he will be glad to share that information with **Representative Hart**.

Matt Moore, administrator for the Division of Transportation Planning and Programming at the Idaho Transportation Department, presented an update regarding the division. The division focuses on serving, supplementing and supporting the work of ITD to meet the objective of the Idaho Transportation partners. The division's core responsibilities include: develop and implement short-and long-term system plans, collect and analyze highway data, partner in planning and technical assistance activities, administer funding programs, establish investment strategy and policies for capital-improvement programs, estimate program funding, manage project budgets, and secure project funding.

The division's scope of planning program and major outputs include managing a project-tracking system for 2,500 transportation projects; process 5,500 transportation-project transactions; assess and analyze the condition of all 12,000 lane miles of the state highway system, count 750 million vehicles to provide data for planning, design, and maintenance activities, meet FHWA (Federal Highway Administration) and FTA (Federal Transportation Act) planning requirements for the short and long-range plan, and increase the quality and diversity of transportation research and technology-transfer projects while ensuring fiscal accountability.

The division partnerships with numerous partners:

- Local Highway Technical Assistance Councils - local roads inventory, update inventory process to provide more accurate data.
- Compass - information from traffic model for forecasts and projections, supply traffic information from permanent traffic counters for input to their planning model.
- Canyon and Ada Counties - congestion monitoring on most arterial and information is used for federally mandated congestion management system, and toward prioritization of projects.
- Payette, Gem, Elmore, and Boise Counties - long-range transportation plans.
- Bannock Metropolitan Planning Organizations - Highway Performance Monitoring System (HPMS), and share data from traffic counts.
- Native American Tribes - State Transportation Improvement Process (STIP) involvement, more emphasis on tribal transportation issues.

- State DOTs and FHWA - work with multiple state transportation departments and FHWA to recover \$200,000 in unspent research funds from multi-state research projects.
- Partners included in the Statewide Transportation Improvement Program - five (5) tribes, six (6) metropolitan planning organizations, 44 counties, 90 highway jurisdictions, and 200 cities.

The transportation planning and programming budget is \$5,948,200 with 45 full-time staff positions. The funding sources include \$4.5 million in federal funds, and \$1.4 million in state funds.

Chairman Wood asked about the budget request for 45 FTPs. Does that include the people who are out in the engineering districts, or is it just in the Boise division? **Mr. Moore** explained that includes headquarters staff and field working staff collecting data.

Chairman Wood asked for an analysis and condition of lane miles completed for last year. The data will be sent to her.

Alan Frew, administrator of the Division of Motor Vehicle (DMV) at the Idaho Transportation Department reported, the business of the division is singular in nature. We deliver customer service. Services are delivered through the core responsibilities including:

- Driver services, in partnerships with counties sheriffs' offices statewide. We provide driver records to private-end users, identification cards, and licensing.
- Vehicle registration, in partnership with county assessors offices statewide. We provide vehicle titles, title issuance, and dealer licensing.
- Motor carrier/truck registration. We provide truck titles and registrations, as well as monitoring the safety dimensions and weights of trucks. Thereby, improving highway safety and prolonging the life of the infrastructure.
- Ports of Entry weigh stations.
- Collect service-related revenue.

The division's Fiscal Year 2008 budget request is \$18,802,700. Idaho now has one (1) million licensed drivers, more than 70,000 overlegal-permitted vehicles, 1.7 million registered vehicles, 2.7 million vehicles monitored through Ports of Entry, and 4.4 million titled vehicles.

Major 2006 program outputs include county public service providers and motor carriers trained, Idaho-based commercial vehicles registered, drivers' licenses and identification cards processed, vehicle titles processed, vehicle registrations processed, and vehicles weighed at Ports of Entry. **Mr. Frew** emphasized that the division's staff work hard every day to improve customer services.

Also, in 2006, the division expanded an on-line registration renewal program. Deployed an automated driver licensing knowledge testing system at sheriffs offices statewide, expanded web-based services, and initiated the DMV modernization project.

Proposed legislation for this year impact variable load suspension axles, refunds of vehicle registration fees, permanent registration option for trailers, temporary vehicle clearance waivers, allow 97-foot saddle-mount lengths, driver education program permits and fees, vehicle titling-federal bankruptcy code, and persons who shall be licensed.

The division is requesting one FY2008 line-item as a result of the supervised instruction permit. This will increase the DMV budget by \$50,000. This will provide spending authority for a supervised instruction photo-permit card for drivers under the age of 17 years. It will also replace the paper-based supervised instruction permits currently used as a driver's license during driver training in the four-month supervised period.

Chairman Wood asked about the new plastic cards. How long before we must do the Real ID? **Mr. Frew** explained the Real ID is kind of a moving target for DMV, because the federal rules have not been established for Real ID. The plastic cards will have to go through the same process that any other Real ID identification card would need to go through, if we get to that point. There have been many states that have opted out such as the state of Maine and possibly New Mexico. We do not know when we could produce a digitized card compatible with Real ID. **Chairman Wood** asked if this card would be close enough that we would not have to do the Real ID card? **Mr. Frew** explained that we would still have to do the Real ID. If Idaho decides to go forward and join with other states and the federal government in this program, it would still be something we would have to scrutinize. **Mr. Frew** believes the final decision will be a joint decision between the legislative and executive branches of government.

Senator Geddes asked for a walkthrough on the procedure we implement to provide driver licenses to undocumented or illegal residents in Idaho. **Mr. Frew** explained that he does not have that process information with him today, but will send the information to **Senator Geddes**. **Mr. Frew** reported that if you are here as a nonresident alien, you will need to have a certified copy of a birth certificate or some other documentation that will authenticate your legal presence. That is not our current process, but is what you would have to do under the Real ID process.

Senator Geddes asked, what is the current process that allows those types of individuals to drive in Idaho, or to even receive a driver's license? **Mr. Frew** explained that it is currently informal. We ask the person to provide documents proving residence and citizenship, if it comes into question. The process is fairly loose as it is right now.

Chairman Wood asked do we ever ask them to show proof or evidence of insurance from whoever gets the license? She understands that undocumented workers can get a driver's license in Idaho, if they show some type of documentation, forged or whatever. Do we require whoever gets the driver's license for proof of insurance? **Mr. Frew** explained that currently, a child of an undocumented alien, an illegal alien living here and their children are in our schools, and they are trying to get a driver's license, they must go through the process. As it is currently, they would

have to have a responsible person present as they apply for their instruction permit to assist them in that process. If they are underage, they must certify there is a liability insurance in place. For others, if you are renewing a driver's license, that is not the requirement, we do not ask for a copy certifying proof of liability insurance.

Representative Nonini, District 5, asked about the expanded on-line registration renewal program, assuming ITD takes credit cards. He requested some numbers about this program. He heard that about \$250,000 in costs to ITD to assume the fees charged by Visa and Master Card. He is uncomfortable with the state paying the fees. Is this something that the department is moving forward to correct? Do we need some legislation during this session? The consumer should pay for that convenience. **Mr. Frew** reported the cost is approximately \$190,000, and is a fee the department assumes. The problem with fees, in Idaho Code we are required to collect a certain amount and does not, currently, allow ITD to collect over and above that amount. So, that would be something that would need to be remedied by legislation. **Representative Nonini** stated to bring him the RS (route slip) and he will sponsor the legislation. In his opinion, ITD should not have to assume thousands of dollars per year, especially as we hear about ongoing shortfalls for the next thirty (30) years.

Representative Nonini also asked about the deployed automated driver licensing knowledge testing system. Is that where people can study for their driver test? **Mr. Frew** reported that is incorrect. What that program does, it allows a person to take the test. It is a testing system, and is essentially a computer touchscreen that allows people to actually touch the correct answer. The tests are graded instantly, and the applicant knows immediately if he failed the test. Some folks do not like computers; therefore, they will have the option of taking a paper test.

Representative Nonini asked if this automated system is in English only? **Mr. Frew** is uncertain if the system is in other languages. He emphasized that we have presently issued guidelines for limited English proficiency, and the department has benefitted by some federal money for this. We used that money for our customer services. Some of the ITD customers speak Spanish or other languages, and we have the driver's test in four (4) different languages. He will followup and get more information to Representative Nonini.

Senator Langhorst asked about the credit card fees. Are there some efficiencies that the department enjoys, and has an analysis been done? Is there a number of FTP (full-time positions) that ITD does not have to employ because of the on-line system, or any other efficiencies that would help to balance the cost of that fee? **Mr. Frew** explained ITD has done some studies. For example, the overlegal program documentation. During the past year, we issued more than 70,000 overlegal permits. We do that with a staff of four (4) people. They are on the telephone a lot, and when not on the telephone they are filing and doing other support things, but we have found with the on-line services we have been able to stave-off having to come to the Legislature and requesting additional full-time employees. There have been some great efficiencies in this system, and we anticipate more.

Senator Langhorst asked about the possibility of an RS to recapture those fees. He would want to know more specifics if ITD decides to pursue an RS; therefore, have those figures available so that legislators would know exactly what we will be voting on.

Larry Falkner, administrator of the Division of Public Transportation at the Idaho Transportation Department reported that while the words “public transportation” usually bring to mind images of buses in larger cities, at ITD we spend most of our time working with rural communities, where the population is less than 50,000 and the vehicles tend to be sized to the needs of the community.

ITD has a minivan used in St. Maries. This vehicle operates in Moscow in a demand response capacity, picking people up at their homes when they cannot access the regular fixed route system.

Overseeing these types of smaller systems is our core responsibility in the division. The state oversees the programs in the rural areas while Federal Transit Administration (FTA) works directly with systems in the six (6) largest urban areas (Boise, Nampa, Caldwell, Idaho Falls, Pocatello, Lewiston, and Coeur d’Alene). This list of activities includes just some of the 19 areas that we are required to oversee.

Our budget request is for \$9,975,000 million. We currently provide federal funding for public transit operations in 29 rural counties provided by 14 operators around the state. We are the primary source of funding for Senior Centers’ vehicles, and currently work with 70 centers to make sure they have safe, reliable transportation for our senior population. In total, with senior centers and rural providers, we annually monitor the use and condition of 255 vehicles in rural Idaho.

He explained that he had talked briefly about the division’s oversight. During this past year, we spent considerable time working with our grantees, making sure all were in compliance when the Federal Transit Administration audit teams visited. We underwent a state management review in June and a drug and alcohol review in July, and received compliments from both federal audit teams for our level of knowledge and compliance with federal requirements.

Some major 2006 highlights for the division include the state management review completed by the FTA, transit plan for Valley/Adams planning partnership, rural drug and alcohol program’s audit by FTA, provided safety and emergency preparedness training to all FTA grantees in the rural program, and we began implementation of new federal requirements in SAFETEA-LU (Safe Accountable Flexible Efficient Transportation Equity Act - Legacy for Users).

The Federal Transit Administration (FTA) continues to release new guidance to be consistent with requirements added by Congress to the reauthorization bill SAFETEA-LU. Our division continues to monitor and comment on these requirements, and has begun implementing the required changes. The division does have a one-line item request for \$591,600 to provide the spending authority for an increase in federal funds that we will be getting from SAFETEA-LU.

We have noticed an increase in the number of community meetings we are asked to attend to discuss how the community can implement transit services. As communities in rural Idaho have experienced a rapid growth during these past few years, and significant increases in housing costs, we continue to work with local economic development groups looking for ways to get service workers to jobs when they can no longer afford to live in the community, or afford to own and operate a car.

Since Idaho continues to be one of a small handful of states that has no dedicated state funding for rural transit, local communities are forced to find funds locally to help fund transit services.

Chairman Wood asked about the rural drug and alcohol program audit. What is the drug and alcohol program that the division oversees? **Mr. Falkner** explained that the division has an extensive, in-depth drug and alcohol program. We do specific training, and in that program all of our drivers can be tested at any time, and we monitor those tests. If they test positive, how that test articulated and is handled. The drug and alcohol arena is a big project for us, and FTA continues to add requirements to that program. We ensure, through our various programs and audits, that these programs are in place, our drivers are trained and regularly tested.

Chairman Wood asked are the division's responsibilities just to the transit drivers with the drug and alcohol program? **Mr. Falkner** responded, that is correct.

Senator Langhorst asked about the federal funds of \$8.9 million for FY2008. He understands we have lost some funds as the area has grown. We reach a certain point and the federal government expects us to assume more responsibility for our public transportation needs. How have those federal funds fared over the years? **Mr. Falkner** explained that growth and the way funds are given by the federal government, once a population center is more than 200,000, it becomes a transportation management area. What happens in that case, is you will lose your operating money. That is basically what has happened here in the Treasury Valley, particularly for our region transit authority, and it is a significant amount of money. The federal government, once you over reach that point, those operating dollars are gone. We will need to come up with a different way, hopefully, to replace those dollars. Another thing, is when you do become a TMA (transportation management area) and you are in that category, they basically have responsibility directly to the Federal Transit Administration. They do not report to the Idaho Transportation Department and are not in our budget.

Senator Langhorst requested some data on the amount of per capita expenditures on public transportation in Idaho, compared to other states similar in population and in geography. The data will be sent to him.

Chairman Wood asked about the metropolitan planning organizations (MPO). What percentage of money is dedicated for transit? **Mr. Falkner** explained the MPOs and the monies they get through both our Public Transportation Division and the Planning Division. The transit part is the smallest piece. The major piece the MPOs deal with is metropolitan planning such as highways, roads, bridges, pathways and so forth. There is a transit element, but it is small compared to the overall picture.

Representative Smith, District 24, asked about the move of the Treasure Valley to create a local option tax for transit authority, if that is successful, would it be administered under ITD or would they form a transit authority for the Treasure Valley that would be completely autonomous? Do you know how the make-up of that is going to come about? **Mr. Falkner** explained, the agency authority that would have the jurisdiction over that would be the Valley Regional Transit, which is the regional transit authority that was voted in several years ago. It was a dual purpose vote. One for Ada County and also Canyon County, and they joined into a single agency. Should legislation pass where the local option tax was approved, it would give a regional transit authority the ability to ask the public for a vote to tax themselves. They would be the authority to administer those funds. They would not go through the Idaho Transportation Department.

Representative Ringo, District 6, explained she has spoken to people in various disability communities, for example the vision impaired, and there are concerns particularly in the Boise area, regarding the delivery of public transit being user friendly to them in terms of the times they could access and so on. Does ITD have jurisdiction over that? What interactions are there with people to see that services do meet their needs? **Mr. Falkner** explained, ITD does not have jurisdiction over that in the urbanized areas. ITD does have programs in rural areas for the elderly, disabled, and 5311 (a rural public transportation grant program). We have vehicles that will pick up those people on a demand response basis. Normally, there is a 24-hour advance time required. All the vehicles that we help fund have wheelchair lift equipment. The regional transit authority has jurisdiction over all the public transit in the valley. They have a service called ACCESS for those people. They will pick up people at their homes and deliver them wherever they need to go. We also work with senior centers. We can get people to and from emergencies, doctor appointments, to work, and to those types of needs, even after-hours and on the weekends.

ITD Director Pamela Lowe discussed the Revenue Plan and the GARVEE Program. She reported, Idaho is growing, and one of the reasons' ITD needs more revenue is to address Idaho's growth. As of 2006, Idaho is the third fastest growing state in the country. Idaho's population is projected to increase by 58 percent (58%) between 2000 and 2030. As we see this explosive growth in revenue, growths in ITD's funding sources are flat. You can see that growth has contributed to an increase of 75 percent (75%) in the general fund, and 85 percent (85%) in the sales tax revenue. A growth in ITD's funding sources has been very modest.

Nationally, the miles per gallon average for passenger cars is better; therefore, vehicle fuel efficiency is having an impact on our revenue. Vehicles have made increasing gains in fuel efficiency over the years. This trend will become increasingly apparent as hybrid and alternative energy vehicles become more popular. And ITD recognizes these trends are good for Idaho. We are not opposed to fuel efficient vehicles or hybrid vehicles. This does support our country's growth of energy independence. But, at the same time, vehicles are getting better gas mileage, we see more and more vehicles on the road.

A chart was reviewed relating to vehicle miles driven vs. gallons taxed. Annual vehicle miles traveled in Idaho increased 94 percent (94%) since 1978. However, the gallons of fuel taxed in Idaho to fund transportation is not keeping pace. The gallons of fuel tax increased 50 percent (50%), and that is largely due to the increase in diesel.

Ms. Lowe also gave a perspective on Idaho fuel tax and inflation. In 1996, the fee had been a flat tax rate of 25-cents per gallon. If the tax rate had been adjusted, using the consumer price index, it would have been 31.3 cents per gallon. If we had adjusted using the National Highway Construction index, it would have been 38-cents per gallon. While net fuel revenues deposited into the Highway Distribution Account have largely flattened out, construction costs have skyrocketed.

She reviewed construction cost comparisons such as the bridge deck concrete for the South Fork Palouse River. That concrete cost \$298 per cubic yard in 2003 for that project. The same material on the Lower Moyie Bridge in 2005 cost \$784 per cubic yard.

Numerous charts were reviewed including:

- Idaho's transportation needs and pavement condition.
- Bridges on the State Highway System are aging. There are 1,761 bridges on the state system. Bridges are designed to last an average of 50 years, and 339 bridges are currently older than 50 years.
- Traffic growth across Idaho, 1996-2005. Traffic, particularly along the I-84 Corridor in the Treasure Valley has grown significantly. But it has grown statewide, on every major corridor.

Idaho is growing fast, but the growth is not solving revenue issues. The revenue is flat and costs are increasing. ITD has less funding to put into our deteriorating and heavily used highways.

Our Transportation Board recognizes those trends. The board organized a 4-month transportation investment meeting that included community leaders and transportation officials from across the state. They participated in multiple meetings, throughout the state, for about a year-long period. They were tasked with identifying funding solutions.

The recommendations to address the funding shortfall include:

- A 7 percent (7%) highway preservation fuel tax.

- Increase annual registration fees for cars and trucks.
- Increase permit fees.
- Eliminate the ethanol exemption.
- Implement a rental car fee.
- Access fees.

These solutions would generate a total additional revenue of \$203.1 million annually. That is the amount identified as the ITD shortfall. These funds impact the State Highway Account, the Highway Distribution Account, the Local Highway Technical Assistance Council (cities, counties, and highway districts), the Idaho State Police, and the Transportation Department.

ITD conducted a study of what other states are doing to address transportation issues, and has compiled a book about the studies. If a legislator would like a copy of the book, they can contact ITD.

Senator Geddes asked about the cost comparisons of construction. Is that construction with materials installed or is that just raw material cost? **Ms. Lowe** responded that would be installed. **Senator Geddes** asked how does that relate based on distance, location, and so forth. **Ms. Lowe** explained the process of comparing rural areas to another rural area, so you would have the same acceptability.

Ms. Lowe presented a report about the GARVEE (Grant Anticipation Revenue Vehicles) bonding programs. In October 2006, the Transportation Board approved a five-year GARVEE plan (FY06 to FY11). Included in this plan are the six (6) corders authorized by the Legislature. The Transportation Board plan recommends extending the Garwood to Sagle corder by two (2) miles, and it also added a Twin Falls alternate route.

This plan limited bonding to \$998 million. That is less than we thought we could bond last year. Federal revenue has flattened, and there has been a change in the Federal Obligation Authority. That has dropped from 90 percent (90%) to 86 percent (86%).

Allocations of the 2006 bond proceeds were discussed. The estimated total was \$200 million and the current cost plan is \$213.2 million. The current plan includes the program management with Connecting Idaho partners fixed fee, and the Idaho Transportation Department program management oversight.

The 2006 GARVEE projects cost for \$213.2 million include:

- U.S. 95 - Wyoming Avenue (Garwood to Sagle), a four-lane divided highway (31.5 miles) - a cost of \$37.8 million.
- U.S. 95 - Worley to Setters, build 4.2 miles of four-lane divided highway with an interchange - cost of \$49.6 million.
- State Highway 16 (SH16) - I-84 to South Emmett, develop a concept for 7 miles of four-lane divided highway from I-84 to SH-44 - a cost of \$5.2 million.
- I-84 - Caldwell to Meridian, rebuilds westbound Eagle Road off-

- ramp. Design an additional lane from Garritty to Meridian (6 miles), build a third westbound lane and repair existing lanes from Garritty to Meridian (6 miles), and design the Ten Mile Interchange - a cost \$75 million.
- I-84 - Orchard to Isaacs Canyon, repair existing lanes from Gowen Road to Issac's Canyon (3 miles), design repairs from Curtis to Gowen road (6 miles), start designing a third lane from Curtis to Broadway (3.5 miles), start designing the Orchard Avenue Interchange, design north sound walls from Curtis to Broadway avenue - a cost \$14.6 million.
- U.S. 30 - McCammon to Lava Hot Springs, build 3.5 miles of highway from Topaz to Lava Hot Springs, design Topaz and Portneuf bridges - a cost \$31 million.
- U.S. 93 - Twin Falls alternate route, stage 2, build 5.2 miles of four-lane highway from just west of Grandview Drive to the U.S. 30 Interchange - a cost \$45.1 million.

The FY2008 GARVEE bonding authority is the authority to issue \$264.2 million highway transportation bonds in a principal amount sufficient to finance highway transportation projects. The bonds expected to be issued in calendar year 2007 and be paid from continuing appropriations of federal funds from the State Highway Account.

A GARVEE summary:

- GARVEE bonding allows Idaho to borrow money for projects at less than the cost of inflation.
- Hyperinflation on construction costs reduces our buying power.
- Revenues are flat and not keeping pace with growing demands on the system.
- The ITD Board's revenue plan can generate an additional \$203.1 million annually.

Ms. Lowe reported that through GARVEE we can improve the state highway system, and reduce congestion. We can also mitigate inflation. We can build these needed and important projects now, and not 25-years from now which is what it would take using our traditional pay-as-you-go method. While GARVEE allows us to accelerate these projects, it does not solve our transportation funding problems.

We still need to address growth, inflation, and our flat revenue.

Chairman McGee explained that as we have gone through the GARVEE process and the Legislature has approved the project, three governors have also approved the project, and now the Transportation Board has approved the project, what can we do or what is the department doing to find alternative sources of funding for those areas that were left unfunded? **Ms. Lowe** explained those areas unfunded have been moved into ITD's far horizon category. Those projects, if everything stays as it is right now, would compete for funding in ITD's formula transportation funds as other projects have moved into the horizons. Those unfunded corridors are needed projects, as are some of the projects that are currently in horizons, i.e., like the Dover Bridge. A three (3) foot section of the bridge deck was lost, and that bridge has been on the horizon. It is

going to be tough for a number of years without an infusion of funds such as the revenue proposal.

Senator Corder asked how will ITD better use the funds the Legislature gives them? What plans does Ms. Lowe have as the new director of the Idaho Transportation Department? Will you move the department forward with an evaluation of what has been done wrong? What do you plan to do to change things so that perhaps we can be more efficient going forward? As we look around Idaho, one can drive in any direction blindfolded and know when you cross the border. He stated, I think that is a significant issue. Other states have had, for the most part, the same funding as Idaho. There are some other things that distinguish very real discrepancies between the quality of our neighbor who does not have gambling or some of the other things. What can we do to maximize the dollars that we have?

Ms. Lowe explained many other states use more than just federal and state revenue to fund their transportation projects. Most other states can tap into general funds, have special taxes, etc. ITD is committed to putting items before the board, and they have done a good job of making tough decisions as to whether you fund a project that addresses pavement deficiencies and balance that against it are a constant issues determining priorities.

As she reviews the ITD programs, projects that are being built statewide and the five-year program, she determined there are some very good ITD programs. The bottom line, there is simply not enough funding for all the needs.

Additional issues were discussed including the GARVEE program, the need for additional funding resources, the Garwood to Sagle project, highway problems statewide, needed solutions, local option taxes, prioritizing changes, public transportation, long-range plans, planning, and the activities and goals of the Idaho Transportation Department.

ADJOURNED: Due to the late hour, **Chairman McGee** and **Chairman Wood** adjourned the meeting at 3:30 p.m.

Representative JoAn E. Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 2, 2007

TIME: 11:00 a.m.

PLACE: Room 412

MEMBERS: Chairman Wood(35), Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Shepperd(2)

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chairman Wood called the meeting to order at 11:00 a.m.

MINUTES: **Representative Ringo** made a motion to accept the minutes of January 24, 2007. **Motion approved.**
Representative Wills made a motion to accept the minutes of January 26, 2007. **Motion approved.**

Chairman Wood asked the sub-committee chairmen to report on the pending rules in their committees.

MOTION: **Representative Mortimer** reported his Rules Subcommittee had reviewed the Idaho State Police Pending Rule, **Docket Number 11-1301-0601**; and the Idaho Transportation Department Pending Rules, **Docket Numbers 39-0207-0601; 39-0224-0601; 39-0273-0601; 39-0311-0601** and made a motion that these Rules be approved by the whole committee. **Motion approved.**

MOTION: **Representative Hart** reported his Rules Subcommittee had reviewed the Idaho State Police Pending Rule, **Docket Number 11-1301-0602**; and the Idaho Transportation Department Pending Rules, **Docket Numbers 39-0322-0601; 39-0343-0601; 39-0345-0601; 39-0407-0601** and made a motion that these Rules be approved by the whole committee. **Motion approved.**

Chairman Wood stated the letter recommending approval of all the IDAPA rules will be submitted to House Speaker Denney.

Ted Spangler, Idaho State Tax Commission, presented an IFTA (International Fuel Tax Agreement) presentation. Before IFTA was adopted each U.S. state and Canadian province had its own fuel tax return, license, decals, laws and rules and performed its own audits. An interstate trucker operating in many U.S. states or Canadian provinces had to comply with the reporting requirements of each state or province which made filing returns difficult, time consuming, and expensive. The International Fuel Tax Agreement was created to solve this administrative problem. IFTA is a tax collection agreement by and among the 48 contiguous states and the ten Canadian provinces bordering the United States. It allows for uniform administration of motor fuels use taxation laws with respect to qualified motor vehicles operated in more than one member jurisdiction (state). See **attachment 1**.

There was a question about the auditing process. Mr. Spangler said IFTA has a minimum audit requirement. A certain percent of truckers including small, medium and large size trucking companies will be audited within a 2 to 3 year period. These audits are done by the Tax Commission.

H 14

Dan John, Idaho State Tax Commission, presented H 14. This bill cleans up the definitions "Biodiesel" and "Biodiesel blend". "Biodiesel" is derived in whole or in part from agricultural products or animal fats or the wastes of such products. A "Biodiesel blend" is fuel produced by blending biodiesel with petroleum-based diesel to produce a fuel suitable for use in diesel engines. These proposed definitions also reflect industry use. A more technical definition will be put into the rules. These definitions will also be added to the Idaho petroleum clean water fee account which is currently suspended because it has enough money.

MOTION:

Representative Wills made a motion to send **H 14** to the floor with a do pass recommendation. **Motion approved.** Rep Smith will carry the bill on the floor.

H 54

Hal Putnam, Idaho Transportation Department presented H 54. This legislation will delete from a list of persons "that shall not be licensed", a person who is a "habitual drunkard" or "addicted to the use of narcotic drugs". These terms are undefined in statute and as such the department is unable to enforce this sanction. The department relies on the convicting court to determine when a driver is eligible for a license following a DUI or drug action.

MOTION:

Representative King made a motion to send **H 54** to the floor with a do pass recommendation. **Motion approved.** Rep Nonini will carry the bill on the floor.

**DOCKET NO.
39-0321-0601**

Chairman Wood reviewed the history of Docket Number 39-0321-0601 that was presented previously in committee on January 18 and January 24. Then she deferred to **Julie Pipal**, Idaho Transportation Department, to explain the Attorney General's answer to the Department's question. The question posed to the Attorney General - "Is it legally permissible for special permit fees collected by the Department for oversized/overweight loads to be assigned to the state highway account rather than the highway distribution account?"
The brief answer. "Yes. While it is an open question of statutory

construction, based upon the language of the Idaho Statutes and Rule set forth herein, there is a reasonable argument that the Legislature intended that the administration fees from oversized/overweight special permits be deposited in the state highway account to cover the Department's costs in administering the special permits program."

Julie Pipal provided the committee with five options. See **attachment 2**. The committee discussed the 5 options and their ramifications. Several of the options would leave the ISP and Local governments without funds they have built their budgets around. It was also stated ISP enforce the permits and do at times help run interference when these large loads are moved. The Department reiterated its proposal of an additional \$15 fee was to cover the cost of administering the permits but not to make money. Option 5 would cost the Idaho Transportation Department a one time special programming fee of \$5000 that would be handled within the Department. This change in programming would allow the fee money be split and put into two different accounts the Highway Distribution Account and the State Highway Account.

MOTION: **Representative Smith** made a motion to approve Docket Number 39-0321-0601 with the recommendation to use option 5. **Motion approved.**

H 66 **Hal Putnam** presented H 66. This legislation will bring Idaho into compliance with federal requirements for the commercial driver licensing program brought about by the Motor Carrier Safety Improvement Act of 1999. This provision prohibits the issuance of a restricted driving permit that would allow for the operation of a commercial motor vehicle (CMV) during a period of suspension that is the result of driving without privileges conviction. The majority of the MCSIA provisions was adopted with the passage of HB 402 and became effective July 1, 2005. This change is consistent with that bill and current Idaho code. Non-compliance could result in a loss of federal highway and motor Carrier Safety Assistance Program funding. Discussion by the committee brought out several concerns. The objective to keep the public safe from those who have lost driving privileges, allowing those persons who have lost driving privileges the ability to work, and the Department's commitment to be in compliance with federal requirements.

MOTION: **Representative King** made a motion to send H 66 to the floor without a recommendation. **Representative Hagedorn** made a substitute motion to send H 66 to the floor with a do pass recommendation. Roll call was taken. Representatives Hart voted nay, Representative Moyle and Shepherd(2) were absent. **Substitute Motion approved.** Rep Hagedorn will carry the bill on the floor.

ADJOURN: There being no further business the meeting was adjourned at 12:40 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 6, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

ABSENT/EXCUSED: Representatives Moyle, Roberts, Bedke

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chairman Wood welcomed the visiting interns and had them introduce themselves.

RS16872 **Representative Wills** presented RS16872. The purpose of this legislation is to further clarify the duties and responsibilities of a driver approaching a stationary police vehicle or authorized emergency vehicle displaying flashing lights.

The courts have been confused with the current statute, so this legislation makes it clear the driver must slow down below the posted speed limit and change lanes as soon as it is possible to do so in a manner that is reasonable and prudent under the conditions then existing, with regards to actual and potential hazards.

MOTION: **Representative Smith(24)** made a motion to introduce **RS16872** to print. A voice vote was taken on the motion. **Motion approved.**

H 51 Lt. Col. David Dahle presented H 51. This proposal amends the existing sections Idaho Code § 32-717 and Idaho Code § 33-3719 to extend legal protections previously given to deploying members of the state National Guard, to other members of the military reserves when they deploy. Other military reserves would include Marine Corp, Army, Naval, and Air Force. The first provision is to protect the child custody and visitation rights of a military member when they are deployed such that they could not be reduced solely by virtue of military deployment. The second provision would protect the educational benefits of a military reserve member when they are deployed with their unit.

MOTION: **Representative Hagedorn** moved to send **H 51** to the floor with a do pass recommendation. A voice vote was taken. **Motion approved.** Representative Moyle will carry the bill on the floor.

H 52 Lt. Col David Dahle presented H 52. This proposal amends Chapter 2, Title 46, by deleting Section 46-214 and amending Section 46-206, to correct out-dated language and clarify the Adjutant General's statutory authority to provide brevet promotions to retiring officers, warrant officers and enlisted members. Historically a brevet promotion is an honor for a retiring member. A brevet promotion does not pertain to benefits or

entitlements it is only a way to honor an individuals distinguished service at the time of his retirement.

MOTION: **Representative Wills** made a motion to send **H 52** to the floor with a do pass recommendation. A voice vote was taken. **Motion approved.**

H 53 **Lt. Col. David Dahle** presented H 53. This legislation proposes to provide the Adjutant General statuto dry authority to call National Guard members to special duty on behalf of the state, provided such call-up is with the consent of the member. There are two ways in which National Guard members can be called to provide service to the state of Idaho. One is called State Active Duty. This requires the Governor to sign a declaration of an emergency. Another way guard members provide services is to put them on special duty. This legislation would allow the Adjutant General not just the Governor to call National Guard members to special duty with the member's consent. Special duty is treated as the functional equivalent of State Active Duty but not requiring the declaration of an emergency involving life or proper. Compensation and benefits would be at a rate equivalent to their rank and time and service. The Governor would have the ability to overturn any order given by the Adjutant General as the commander-in-chief of state's military.

MOTION: **Representative Nonini** made a motion to send **H 53** to the floor with a do pass recommendation. **Motion failed.** Nay votes Representatives Hart, Smith(24), Mortimer, Ringo, King, Ruchti.

H 55 **Lt. Col. David Dahle** presented H 55. This proposal amends the existing section I.C. § 46-407 to extend employment protections previously given to members of the state National Guard, to Idaho employees who belong to the National Guard of another state, when called to State Active Duty by the National Guard of another state. There was concern about the stricken language on lines 14 thru 20. It was stated that the conditions referenced on these lines were captured by reference to the "Uniform services employment and reemployment rights act of 1994 (USEARA)" in section 46-409. There was also concern brought forward about the reference made in section 46-409 specific to the word "Idaho" when the intent was to extend employment protections of members of the state National Guard when called to State Active Duty by the National Guard of another state.

MOTION: **Representative Hart** made a motion to hold **H 55** at the call of the chair. **Representative Hagedorn** made a substitute motion to amend the bill to delete the word "Idaho". **Representative Smith(24)** made an amended substitute motion to hold the bill at the call of the chair for construction of committee amendments with the help of Representative Hagedorn and Lt Col. Dahle. A voice vote was taken. The **amended substitute motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 2:20 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 8, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Chairman Wood, Representatives Smith(24), Ringo, King, Ruchti, Mortimer

Vice Chairman Hart called the meeting to order at 12:55 p.m.

MINUTES: **Representative Wills** made a motion to accept the minutes of February 2, 2007. A voice vote was taken. **Motion approved.**

MOTION: **Representative Nonini** made a motion to introduce RS16639, RS16940, RS16946, RS16985 and RS16980 to print. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 12:58 p.m.

Representative Phil Hart
Vice Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 12, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Bedke, Wills, Mortimer

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chairman Wood introduce and welcomed Jesse Daniels the committee's page.

Chairman Wood read a letter from Speaker Denney designating the Transportation and Defense committee a privileged committee for the purpose of introducing RS16968 and RS16970.

Chairman Wood turned the gavel over to Vice Chairman Hart.

RS16968

Representative Wood presented RS16968. This legislation will amend various parts of motor vehicle code to incorporate federal motor vehicle safety standards as requirements for titling and registration of vehicles for use on public highways. These amendments clarify what vehicles can be registered and operated on State and Federal Highways.

It provides exceptions for all-terrain vehicles (ATV), and provides for a specific ATV license plate. It allows operation of ATV's on all unpaved roads in Idaho, unless local jurisdictional authority adopts ordinances to prohibit certain unpaved roads under their jurisdiction.

It provides for Parks and Recreation off-road sticker to be used for off-public highways and for operation on highways located on state public lands or federal public lands. An ATV plate would also give the authorization to operate on these public lands.

This proposal adds a new section to clarify where mopeds can be operated. It allows these economical vehicles to be operated in traffic on roads posted at 35 mph or less, and to be registered, and operated by a licensed driver. It provides for operation on roads posted above 35 mph in the same fashion as allowed for bicycles.

Proposal amends and adds definitions for motorcycles, motor-driven cycles, motorbikes and mopeds and provides for titling and registration based on classification of the vehicle. Increases fees for ATV's and motorcycles by \$1.00 to \$10.00 annually.

MOTION:

Representative Smith made a motion to introduce **RS16968** to print. Representative Hagedorn declared Rule 38 he will not vote on this RS. There were concerns if "gators" and "neighborhood electrical vehicles"

were included in the definitions. **Julie Pipal**, Idaho Transportation Department, stated they would provide the committee with the information of where and if these vehicles are covered by definition in this legislation. A voice vote was taken. **Motion approved.**

RS16970

Representative Wood presented RS16970. This legislation places the legal incidence of the motor fuels tax on distributors. This is consistent with historical practice and reverses the effect of recent court decisions. It also affords the opportunity for entering tribal agreements. The Tribes have been working with the Governor's office to reach an agreement. There was discussion regarding the Tribes and the requirement that an agreement be made by July 1, 2007 or the stipulations of this bill will move forward.

MOTION:

Representative Roberts made a motion to introduce **RS16970** to print. A voice vote was taken. **Motion approved.**
Vice Chairman Hart turned the gavel over to Chairman Wood.

ADJOURN:

There being no further business the meeting was adjourned at 2:18 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 14, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood (35), Vice Chairman Hart, Representatives Smith (24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** None.

GUESTS: **Jim Harper**, Director of Information Policy Studies, The Cato Institute; **Karen McWilliams**, Idaho Community Action Network (ICAN); **Julie Pipal**, Legislative Liaison, Idaho Department of Transportation (ITD); **Craig Quintana**, Communications Manager, Ada County Highway District (ACHD); **Hannah Saona**, Legislative Counsel, ACLU of Idaho; **Bill Scannell**, Community Director, The Identity Project; **Rep. Mark Snodgrass (20)**; **Scott Spears**, Staff Attorney, ACHD
See sign-in sheet for other guests.

CALL TO ORDER: **Chair Wood** called the meeting to order at 1:32 p.m.

**Minutes of
February 6, 2007**

A **motion** was made by **Rep. Wills** to approve the minutes of February 6, 2007 as written.

The **motion** passed by voice vote.

**Minutes of
February 8, 2007**

A **motion** was made by **Rep. Ringo** to approve the minutes of February 8, 2007 as written.

The **motion** passed by voice vote.

**Minutes of
February 12, 2007**

A **motion** was made by **Rep. Ringo** to approve the minutes of February 12, 2007 as written.

The **motion** passed by voice vote.

H 117:

Before presenting H 117, **Rep. Richard Wills (22)** recognized Lt. Ron Winegar, Fraternal Order of Police.

H117 addresses an omission from legislation passed last session, further clarifying the duties and responsibilities of a driver approaching a stationary police vehicle or authorized emergency vehicle displaying flashing lights. The courts have been confused with the current statute. The changes make it clear, with regard to actual and potential hazards, that a driver must slow down below the posted speed limit and change lanes as soon as it is possible to do so in a manner that is reasonable and prudent under the conditions then existing.

Questions/Discussion: None

**MOTION/VOTE
H117:**

A **motion** was made by **Rep. Shepherd** to send H 177 to the floor with a **DO PASS** recommendation.

The **motion passed** by voice vote. **Rep. Wills** will carry H 177 on the floor.

H 144:

Rep. Phil Hart (3) presented H 144 proposing to amend section 58-335A Idaho Code that the Idaho Department of Transportation (ITD) will first offer surplus real property to those property owners whose properties are contiguous to the surplus property being offered. The provision would change the current statute where this requirement applies to all properties instead of only properties with a value less than \$10,000.

Surplus real properties usually are small, irregularly shaped parcels—but not always.

Rep. Nonini explained a Kootenai County situation that has been on-going. A constituent has been attempting to work with ITD and Region I regarding a unique parcel of surplus land on the west edge of Coeur d'Alene with the intention of donating property to Park & Ride. An Administrative Rule is in place to accommodate the constituent's request, but ITD has chosen to strictly enforce statute. H 144 puts into statute the intent of the applicable rule.

Questions: **Rep. Bedke** asked for an explanation as to how property came to be on the surplus list, and how broadly the list is known. **Rep. Nonini** said the majority of surplus properties are small, irregular parcels without much value—generally less than \$10,000. There are instances where properties of greater value are on the list. He didn't know the process involved to place a property on the list. H 144 came about as a result of a constituent who had difficulty with ITD. That constituent had exhausted the available courses of action trying to resolve the situation—even retaining the services of Capital West.

Rep. Bedke asked what assurance the public had that market value would be paid when surplus property is sold at a public sale and, if there are exemptions from the sale, what official appraisal process exists. **Rep. Hart** said an appraisal is required.

Rep. Ruchti asked for an explanation of the public sale process, and if competition among multiple purchasers drove the price up. **Julie Pipal**, Legislative Liaison, ITD, said the public sale is an open bidding process much like any auction. Every attempt is made to get the appraised valuation at the sale. **Rep. Ruchti** asked if property could be sold for less than market value. **Ms. Pipal** said yes, Idaho Code does allow a sale for less than market value in certain circumstances. **Chair Wood** said there is a provision for another public entity to negotiate a discounted sales price—for example, schools, counties or cities.

Rep. King asked how neighbors were notified of a pending public sale, and what time frame was provided. **Ms. Pipal** said normally they were notified in writing. Thirty days notice of the sale is typical. **Ms. Pipal** is not certain the time frame is in writing.

Public Testimony: None

**MOTION
H 144:**

A **motion** was made by **Rep. Bedke** to send H 144 to the floor with a **DO PASS** recommendation.

Discussion: Committee members discussed the position of the public vis-a-vis public entities in the sale process. As the statute is written, if a contingent property owner declines to purchase surplus property it is then offered to public entities. If public entities decline, the property goes to public auction. The process is set forth in H 144 lines 25-37.

Ms. Pipal said the specific language explaining the process is outlined in rule; the guidance language is in code but the process is not specifically set forth in code. **Chair Wood** said the rules subcommittee first rejected the rule, but after discussion and realizing that ITD was only complying with the statute, reconsidered and passed the rule.

Rep. Ruchti said he was on the rules subcommittee. One argument given was that a public entity had purchased the property at some point; rather than passing it to private ownership right away, a public entity should have another opportunity to continue to own it. He asked if the public was harmed in any way by the change in H 144. **Rep. Hart** referred to lines 16-21 providing that surplus property may be offered for sale or exchange to any tax-supported agency or political subdivision of the state of Idaho, other than the state of Idaho or its agencies, in whose jurisdiction the property is located, at a negotiated price not to exceed the appraised value.

Rep. Smith expressed concern. Although most surplus property parcels are small, occasionally there is a parcel of value. A rule requiring surplus property first to be offered to contiguous property owners might deprive ITD of income.

**SUBSTITUTE
MOTION
H 144:**

A **substitute motion** was made by **Rep. Smith** to **HOLD** H 144 in committee.

Discussion: **Rep. Roberts** reviewed the surplus sale procedure. In any case, surplus property must be sold at a floor price equal to the appraised value. He supports H 144.

Rep. Hagedorn asked if the cost of a public sale is justified. Selling to an adjacent landowner is likely to cost less than a public sale. **Ms. Pipal** said she would provide information relative to the typical cost of a public sale to the Committee.

Rep. Mortimer said the definition of appraised value is the price at which a willing and able buyer and a willing and able seller are willing to buy and sell. He asked how that would be determined unless ITD had more than one appraisal. **Rep. Hart** said there were typically at least two appraisals. **Rep. Smith** said two appraisals were typical when condemning property, but he is not certain that is the case with surplus property. Committee members discussed the appraisal process. ITD is engaged in many real estate transactions every year, and is knowledgeable about buying and selling property. Different sales scenarios were discussed, including eminent domain and auctions. If ITD is damaged by a low appraisal, there is an opportunity to negotiate property values.

**AMENDED
SUBSTITUTE
MOTION/VOTE
H 144:**

Discussion: **Rep. Roberts** proposed an amendment giving an adjacent landowner an opportunity to buy surplus property by providing an option to participate in an auction. This concept would address **Rep. Mortimer's** concerns.

In order to allow time to draft an amendment, an **amended substitute motion** was made by **Rep. Roberts** to **HOLD H 144 at the call of the chair**.

Discussion: Committee members discussed amendment options vis-a-vis the current statute and H 144.

The **amended substitute motion passed** by voice vote.

S 1051:

Senator Tim Corder (22) presented S 1051 that corrects HB 561 which was enacted by the 2006 Legislature. H 561 failed to set forth a vehicle gross vehicle weight (GVW) cutoff. For example, it is currently illegal to equip any vehicle with only two tires on an axle unless the tires are at least fifteen inches wide; this would include a pickup truck and even automobiles. ITD immediately announced a policy of a phased approach to enforcement that utilized education and warnings during the first year in order to accommodate the effect of H 561. He said a change must be made this session. **Senator Corder** referred to **Exhibit 1**, illustrating the deficiencies of current law. The current limits of 600 pounds for steering axles and 800 pounds grand-fathered for older vehicles remain unchanged.

Discussion: **Rep. Roberts** asked if the concern was for single axles within groups. **Senator Corder** said yes. Striking lines 11-14 eliminates the reference to pickups or automobiles.

Rep. Hagedorn asked if the pounds per inch width of tire applied to cars or pickups. **Senator Corder** said yes. If 600 pounds is the correct weight to enforce in order to prevent highway damage, it should be uniformly enforced. S 1051 is "the beginning of a new era."

**MOTION/VOTE
S 1051:**

A **motion** was made by **Rep. Roberts** to send SB 1051 to the floor with a **DO PASS** recommendation.

The **motion passed** by voice vote. **Rep. Roberts** will carry SB 1051 on the floor.

HJM 3:

Rep Phil Hart (3) presented HJM 3, a House Joint Memorial for the purpose of sending a message to the Idaho Congressional District that the People of Idaho object to the mandates of the Real ID Act of 2005, which has serious constitutional and privacy problems. He said the Act was a backdoor approach to creating a national ID card. If Idaho were to comply with the Real ID Act of 2005, the startup costs would be in the range of \$36 million dollars. Ongoing costs are estimated to be \$2 million dollars annually.

Questions: None.

**PUBLIC
TESTIMONY:
Hannah Saona
Legislative Counsel
ACLU of Idaho**

Hannah Saona, Legislative Counsel, ACLU of Idaho, testified in **SUPPORT** of HJM 3. The ACLU finds the entire idea of the Real ID Act of 2005 to be flawed. The Act will restrict the liberty of citizens and place burdens on them. She said it would cost \$39 million dollars to implement and \$9 million dollars annually for Idaho to maintain. The wait time can be expected to be a major impact in the driver's license process. Recent innovations, such as license renewal by mail, will not be permitted. Issuing licenses will be entirely refused in some cases, such as to persons without birth certificates. The Act would create

PRO

serious privacy issues. Personal data would be displayed on the front of the card, enabling access by means of machine-readable technology. A private database would be created that would not be subject to the privacy rule. It would be a seamless national database, linked to other states and governmental entities, and available to a wide range of state and local officials. Seventeen states have or are considering legislative action similar to HJM 3.

Questions: None.

Karen McWilliams
Idaho Community
Action Network

PRO

Karen McWilliams, Idaho Community Action Network (ICAN), testified in **SUPPORT** of HJM 3. ICAN has 8,000 members across the state, many representing populations that would be severely impacted by the passage of HJM 3—people who are ill, elderly or foreign born. **Exhibit 2**

Questions: None.

Jim Harper
The Cato Institute

PRO

Jim Harper, Director of Information Policy Studies, The Cato Institute, testified in **SUPPORT** of HJM 3. He said the Real ID Act of 2005 is not in keeping with the founding principles of the government. Yesterday, Mr. Harper was in Utah where a resolution was unanimously passed opposing the Act. He said the end result of the Act would burden the law-abiding citizen in many ways, but would not deter the lawbreaker.

Questions: **Rep. Hagedorn** asked for the logic behind the Real ID Act of 2005. **Mr. Harper** said there were two main philosophical reasons: 1) terrorism, and 2) the immigration question. He expanded on both points.

Questions: **Chair Wood** said an argument in favor of the ID card is that it can't be counterfeited. **Mr. Harper** said the card, itself, is not subject to forgery or tampering, but there are many ways the system could be abused and corrupted. He gave several examples.

Bill Scannell
The Identity Project

PRO

Bill Scannell, Community Director, The Identity Project, testified in **SUPPORT** of HJM 3. People who vehemently disagree with each other on most other issues have come together against the Real ID Act of 2005. The Act takes away the right of states to decide what information goes into the system. The only choice a state department of motor vehicles will have is which picture goes on the licence. All other choices will be usurped by the federal government. **Mr. Scannell** said the idea of saying in English, "your papers please," should offend us all.

Questions: None.

Discussion/Questions: **Rep. Smith** asked for an explanation of the Real ID Act. **Mr. Scannell** provided an overview: The Act mandates what information is on a driver's license. Documents acceptable to obtain a license are determined by the Department of Homeland Security. It mandates a system whereby states and territories exchange and access information. Rather than a unified national database, there would be 52 databases—referred to as a distributed database. To enforce the Act, access to Federal buildings and airport security would require the federal ID card. **Mr. Scannell** referenced a legal case, *Gilmore v. Ashcroft*—now *Gilmore v. Gonzales*. Mr. Gilmore

politely refused to show ID and was not allowed to fly. He was informed that if he was not willing to show ID he could fly, but only if he submitted to a far more intrusive search than what every passenger goes through at the security checkpoint. He declined and again was not allowed to fly. Mr. Gilmore asked to see the law that prevented him from flying. He was told it was a secret law. **Mr. Scannell** said the idea of a secret law should be offensive to everyone.

Chair Wood told the committee of a recent meeting in Washington, D.C. where she discussed the issue of mandated expenses to the states with Maria Cino, Deputy Secretary of Transportation; and asked if there was a mechanism for a state to opt-out. Ms. Cino said she was aware of the budget issue; and there was no opt-out provision. Issues are being discussed with Homeland Security. There seems to be more emphasis, at the national level, on monetary cost than privacy. **Mr. Scannell** said the Department of Transportation (DOT), responsible for rulemaking procedure to implement Federal law, is fourteen months behind schedule to publish proposed rules. He has obtained the Preamble to this document. Three alternative methods of administering the database have been considered: 1) the national database is too complicated, and DOT doesn't want to manage it; 2) the states could be mandated to manage the distributed database, except that the system is too complicated and the states won't be successful; and 3) the distributed database can be outsourced to a third party contractor. Outsourcing the distributed database has been endorsed. **Mr. Scannell** said it is "patently absurd" to give documents to a private contractor, who has no responsibility under the law to respect people's privacy.

Chair Wood asked to know the time-line for state compliance. **Ms. Pipal** said states were expected to fully comply by May 11, 2007. As was previously mentioned, the DOT is fourteen months behind schedule to establish rules. States cannot begin to comply without rules. This meeting today is the first public policy discussion in Idaho. There are no grounds to ask for a time extension. The best recourse states have is to express to the Federal government that the mandate is not doable.

**MOTION/VOTE
HJM 3:**

A **motion** was made by **Rep. Wills** to send HJM 3 to the floor with a **DO PASS** recommendation.

The **motion passed** by voice vote. HJM 3 will be carried on the floor by **Reps. Hart and Nonini**.

H 145:

Rep. Mark Snodgrass (20) presented H 145, legislation proposed to protect the traveling public. The situation arises when a transportation agency determines a hazard to exist and, under current law, is required to notify the property owner who then has ten days to respond. The process allows some situations to continue where there is imminent danger to the public. H 145 proposes a transportation department to be able to immediately remove the hazard before giving notice to the property owner. Action could be taken to correct the danger, and then allow the process to run the course provided by law.

Questions; **Rep. Wills** asked for clarification as to the property owner's responsibility for related costs. **Scott Spears**, Staff Attorney, Ada County Highway District (ACHD), said typically a reimbursement

request would be limited to actual expenses. He related other procedures now in place as precedent, including 40-2319 regarding removal of encroachments.

Rep. Wills asked if a property owner would be notified before action was taken. **Mr. Spears** said that was his assumption unless there was an imminent danger.

Rep. Moyle asked the definition of "vision triangular restriction" (page 2, line 12). **Craig Quintana**, Communications Manager, ACHD, said it involves the clear zone going into the intersection 40' back from the section allowing the driver to see cross traffic.

Rep. Moyle said, relative to the specific fatal incident that H 145 addresses, civil action was allowed under current law. He asked if that remedy had been used. He said H 145 takes away property rights, and is not a good bill. **Mr. Quintana** provided the chronology of the incident in question. He said when the accident occurred, the process to have the hazard removed was already underway. H 145 proposes to institute procedures that allow more immediate action.

Rep. Moyle noted that the tree in question "did not get there overnight." He said there was now a process that was adequate.

Rep. Bedke asked if civil action was pending against the property owner. **Rep. Snodgrass** did not know. **Mr. Quintana** said no. In terms of civil enforcement, a letter was sent to the property owner and a crew sent back to trim to the property line. ITD would like to have the tree removed, because it will be come a hazard "sooner than later."

Rep. Bedke asked if civil action had been taken by the family or the estate of the deceased; and if ACHD is prepared to assume the liability for every obstruction that exists, passing the same responsibility on to all the other jurisdictions in the state. **Mr. Quintana** said he didn't presume to speak for other transportation agencies, but the standard for ITD is to take immediate remedial action. The problem now is not having the authority to take action.

Rep. Bedke asked if the estate was suing anyone. **Mr. Quintana** was not aware of any tort claim or civil action involving the family or the property owners.

Rep. Bedke asked if the intersection was now safe in **Mr. Quintana's** opinion. He said it was safe when ITD's crew finished. The department employs an arborist. It is his opinion that the tree will again quickly become an issue. He recommends removal of the tree.

Rep. Hart asked the procedural time frame for notice. **Rep. Snodgrass** said it typically was ten days. **Rep. Hart**, referring to line 43, asked about the seven day period. **Rep. Snodgrass** said it was the time frame that applied if a determination was made for an immediate corrective action. **Rep. Hart** asked the definition of "imminent or immediate threat." **Rep. Snodgrass** said maybe it wasn't possible to know all the combinations and permutations but, referring to lines 18-19, if a threat is deemed to be imminent, there needs to be a remedial course of action.

it needs to be able to be taken care of.

Rep. Hagedorn said he believed ACHD did cite the owner prior to the fatal accident. **Mr. Spears** said a letter requesting corrective action had

been sent. The corrective action request allowed fifteen days. **Mr. Quintana** said the letter informed the property owner that the traffic department had determined an unsafe condition and requested immediate attention, but current law had to be followed.

Rep. Hagedorn said existing law appeared to provide an ability to understand an immediate hazard, and an ability to determine the time frame of notice and citation. But it didn't happen. He asked for an explanation as to how changing the law would change the way business is done. **Mr. Quintana** said the notice was sent to the property owner September 12, 2006 requesting immediate action, which did not occur. The tree partially obstructed a stop sign. The traffic engineering department believes 100-150 feet or more sign distance is needed on that sign. It was a judgment call as to how immediate the threat was to the public. **Rep. Hagedorn** asked if ITD now had the ability to trim trees to the right of way after citing the owner. **Mr. Quintana** said to the right of way, but not further.

Rep. Roberts said Section 40-2319, dealing with encroachments, had been previously mentioned. The difference is that encroachments are purposefully made by a landowner. The traffic hazards being addressed in H 145 are not maliciously put into the right of way. He asked if, in **Mr. Spears** opinion, there was a difference. **Mr. Spears** said there was no difference to justify different treatment. **Rep. Roberts** said he differed with that point of view. He said there are property right issues involved, and a substantial difference when an obstruction is placed maliciously. For instance, to enter private property to remove a tree could be seen as a taking, and be unconstitutional. **Mr. Spears** said the issue would be whether or not action addressed an imminent threat. If the threat wasn't imminent, a legal process would be required. **Rep. Roberts** asked if the last statement meant ITD had authority to remove a tree. **Mr. Spears** said, even as proposed in H 145, the tree would not be removed unless it was an imminent threat. **Rep. Roberts**, referring to page 2, line 2, said H 145 says otherwise. He said ITD already has the authority to remove an immediate obstruction along the property line sign vision, and has a long-term remedy.

Rep. Hagedorn agreed there already was authority to trim back to the right of way, which wasn't done in the cited example. He asked if a request had been made of the property owner to extend the right of way so ITD could manage the tree, if the tree was still an issue. **Mr. Spears** was not aware of any request. He reminded the committee that the tree in question was just an example of a problem that exists across the state. It is financially burdensome if the only way to address a similar problem is to extend a right of way when a property owner won't cooperate. **Mr. Quintana** said the idea isn't to take out trees on private property, but people often plant trees knowing the full-grown tree will be a problem. H 145 places restrictions.

Rep. Hart said it is illegal to trespass. H 145 creates an exception which constitutes a conflict of law; it also violates the 4th Amendment to the Constitution protecting from unreasonable search and seizure.

Rep. Snodgrass referenced a bill recently passed in the House that allows land surveyors access to property in the purview of their job should the property owner object. **Mr. Spears** said H 145 was of limited

scope and did not constitute unreasonable search and seizure. **Rep. Hart** said he didn't see H 145 rising to a Constitutional level. **Mr. Spears** said current law reflects the authority to take corrective action to some degree. H 145 is asking to extend that authority for stop signs and other vision obstructions.

Rep. Smith said in his 36-year involvement with litigation there has never been an instance requiring entry onto personal property. One instance that might require it, not mentioned today, is a flooding ditch filling up a low spot in a road. He said he would be happy if H 145 ended with line 6, page 2; but it does not.

Sponsor's Closing Statement: **Rep. Snodgrass** said the question wasn't whether ITD dropped the ball. ITD can't be expected to do something with a ball they don't have. There is now no incentive for people to immediately comply with obstructions; and to force compliance is cost prohibitive.

**MOTION/VOTE
H 145:**

A **motion** was made by **Rep. Roberts** to **HOLD** H 145 in Committee. The **motion passed** by voice vote with **Representatives Ruchti, Ringo, Smith (2), and Wood (35) voting NAY** for the record.

ANNOUNCEMENTS:

It has not been determined if there will be a meeting Friday, February 16th.

ADJOURN:

The meeting adjourned at 3:38 p.m.

Representative JoAn Wood
Chairman

Mona Spaulding
Secretary

MINUTES
JOINT MEETING
HOUSE TRANSPORTATION AND DEFENSE COMMITTEE
HOUSE AGRICULTURE AFFAIRS COMMITTEE

DATE: February 20, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti Agricultural Committee members present Chairman Trail, Vice Chairman Andrus, Representatives Lake, Stevenson, Bolz, Shirley, Patrick, Pence, Chavez, Durst

**ABSENT/
EXCUSED:** Representative Moyle, Bedke, Roberts

GUESTS: **Peter Friedmann**, Agriculture Transportation Coalition (AgTC), **Terry Whitesides**, Alliance for Rail Competition, **Evan Hayes**, National Barley Growers Association

CALL TO ORDER Chair Wood called the meeting to order at 1:37 p.m.
Chair Wood welcomed members of the Agriculture Committee and the presenters.
Peter Friedmann (AgTC) was in Boise to participate in the Agriculture Summit and Workshops at the request of members of the Idaho agricultural community.

Mr. Friedmann stated US agriculture faces a dire threat, losing domestic and global market share, profit margin and international sales. Simply put, US agriculture can compete with anyone in producing and processing, but domestic transportation barriers are increasingly hindering ag efforts to sell competitively in the global marketplace. He then referred to the "National Agriculture Transportation White Paper" and mentioned the four biggest issues: rail, truck, barge and ocean.

Attachment #1

Rail Service - While the four Class I national railroads are actually hauling more cargo than ever before, the volume growth is in the containerized consumer goods imported from Asia ("intermodal" cargo). These Asian imports are typically offloaded at West Coast ports, and railed straight through, non-stop, to Chicago, St. Louis, or all the way across to the East Coast metropolitan areas. This import intermodal is the foundation for the railroads' (and ocean carriers') business model, which de-emphasizes service for exports, particularly agriculture. The railroads (and ocean carriers) prefer to get the containers back to Asia by moving non-stop to West Coast ports, carrying whatever exports can be loaded at the railroad's own major hubs, or if necessary, empty. They are now by-passing the inland load points (where agriculture is produced) and suspending service on routes on which agriculture depends, while dramatically increasing rates for the agriculture shipments they do accept. States like Idaho are becoming what they call "bridge states".

The result is the growing inability of US agriculture producers to gain timely and affordable access to our seaports in order to ship to international customers. Whether it is potato or onion growers in Idaho, french fry producers in Washington State and Oregon, cotton in Texas, wheat in West Texas, specialty grain producers in North Dakota and Minnesota, or dairy producers in Wisconsin, rail service suspensions are forcing producers to find already scarce trucks to haul, at significant expense, their products to the diminishing number of loading points still serviced by the railroads. Even then, the railroads often do not provide the number or type of railcars (such as food grade) required. This situation reduces already thin profit margins, and all too frequently creates delays and increases the transport costs to a level which forces foreign purchasers to look to other countries such as Argentina, Australia, and Brazil for their agriculture purchases.

Despite numerous petitions by ag shippers, the Surface Transportation Board whose function is to oversee the railroads and to protect the interests of the shipping public, has not asserted itself. Senators from farm states have urged the President to appoint STB leadership which will work to improve rail service for ag. They and other Senators have sponsored legislation to revise STB regulatory authority and to enhance rail competition, particularly for "captive" rail shippers (which are "captive" to one rail line).

Trucking - Rail service deterioration and price increases have exacerbated the existing shortage of trucks and truck drivers. By forcing cargo off rail and onto trucks, wear and tear on the roads and bridges is increased, vehicle emissions increase, and transport costs increase. There is a shortage of long haul drivers, which pushes up trucking rates as well. Truck driver Hours of Service rules are continuously reviewed and revised, each time impacting the capacity of trucking companies to carry agriculture and other cargoes. Canada allows trucks which add a third axle to carry more volume and heavier loads than are typically allowed on US highways, but in a manner which increases safety (while reducing wear and tear on the highways). In contrast, legislation to accomplish this has languished in Congress for five years.

Inland Waterways Infrastructure-The most efficient form of transportation, particularly for bulk cargoes, is on barges moving through our inland waterway system. Providing the lowest cost per ton/mile, barge transport also offers the lowest emissions per mile. Efficiency is lowered when locks and dams on the inland waterway system fail to maintain navigable depth. The deteriorating infrastructure of rail and truck modes needed for unloaded cargo from barges. The Corps of Engineers is under significant budgetary pressures, but funding of waterway navigation infrastructure is essential to maintaining agriculture transportation efficiency.

Ocean Carriage -Ocean carriers continue to jointly discuss and agree upon freight rates, permitted by their exemption from antitrust laws. European Union has recently prohibited such joint price setting by eliminating ocean carrier anti-trust immunity. The result is improved service and reduced costs for European importers and exporters. While similar competition would benefit US agriculture exporters, proposals to amend the Ocean Shipping Act to eliminate ocean carriers antitrust immunity are fiercely opposed by the ocean carriers (all of which are

foreign owned), and have not been enacted.

Consolidation in the ocean carrier industry is resulting in a few large companies controlling a significant proportion of available capacity. Ocean transport service and cost have not improved, and in some trade routes important to US ag exporters, only one carrier is left. A shortage of refrigerated containers is an ongoing challenge for exporters of produce, beef, citrus, etc. At times, this shortage has resulted in US ag exporters being unable to obtain refer containers on a timely basis, resulting in the inability to meet customer delivery commitments and thus to lose foreign sales.

Port Congestion - Our major seaports, particularly in Southern California, are incurring transit delays, due to lack of port access infrastructure, and the capacity to handle the latest generation of mega-ships. The modernization of port container handling has lagged behind expectations. US ports lag other major ports in terms of container handling efficiency.

Mr. Friedmann stated the agriculture community of Idaho “get it” and have been proactive in getting some of these issues raised and addressed. JR Simplot Company and Northwest Foods Processors Association were among the original members of the Agriculture Transportation Coalition that was formed 19 years ago.

Questions/Discussion: **Rep King** asked what percent of products do we sale overseas currently and how much would they increase if we have a better rail service? **Mr. Friedmann** said he did not have the break down specific to Idaho but could get that information to her. The issue is that some major companies can source the same products closer to the ports not out of Idaho.

Rep King asked what the weight limit on trucks are in Idaho? **Mr. Friedman** said that nationally on the interstate its 80,000 pounds. In comparison, Canada’s model allows 97,000 pounds when you take away the extra weight for the chassis that increase is about 15,000 extra pounds which is a about a 25 -30% increase in truck capacity without adding any more trucks to the road or endangering people and the roads. When adding a 3rd axle the wear and tear on the road is reduced. Railroads are opposed to increasing the weight limit on the roads.

Rep Trail mentioned the problem the trucking industry has faced when there has been a natural disaster and drivers are diverted to those areas affected by these disasters. This then becomes a major impediment for using cross country shippers. **Mr. Friedmann** said this is one reason to increase truck capacities without increasing truck traffic.

Rep Chavez asked what can be done to promote Lewiston as a port? **Mr. Friedmann** said the barge system down the Columbia River is so valuable and is keeping Idaho in the ball game. One problem is the port of Portland lost some vessel service. It has gotten some of that service back but it doesn't have direct service to Japan. Portland needs to continue to work to get this direct service. The barge system helps promote competition with the railroads.

Rep Patrick mentioned in the Twin Falls area shipping barley is cheaper to haul from Montana to Colorado than Twin Falls to Colorado. **Mr. Friedmann** stated this is probably from no competition and the railroads reluctance in taking short haul loads.

Chair Wood then turned the time over to **Terry Whiteside**, Alliance for Rail Competition for his transportation presentation. **Attachment #2**

Chair Wood asked Mr. Whiteside to inform the committee on the federal freeze on vehicle size and weight. Mr. Whiteside, yeild to **Evan Hayes**, National Barley Growers Association. In the early 1980's congress frozen the interstate highway system to 80,000 pounds. Similar to the situation we have today in the economy. Senator Steve Symns introduced and passed the Symns amendment that allowed trucks to grandfather in the weights that were legal prior to the freeze. Hence, the hodge-podge of weights we have across the US.

Mr. Whiteside stated Idaho is most closely aligned with Montana, North Dakota and Utah in rail end use and lack of rail-to-rail competition. How much rail competition do we really have? Since 1980, drastic industry consolidation has occurred. Class I carriers have dropped from 42 to 5. Four mega-carriers generate 94% of gross ton miles and 93% of revenues. The four mega-carriers are BNSF, NS, UP, CSX.

Agriculture is unique in the transportation environment. The farm producer bears the freight, but the grain elevator or merchandiser pays the freight. This is unlike every other industry, the farm producer cannot pass the freight charges on to anyone else. Idaho's economy relies on movement of bulk good by rail. Agriculture, lumber and mining all require movement to points outside of Idaho and the U.S. to create value for Idahoans. Idaho needs access to safe, reliable and reasonably priced rail transportation to remain competitive where their products are marketed.

Lack of railroad competition is a fact of life in Idaho. Idaho is third in nation with 80% of railroad system controlled by Class I railroad.

In 1980 Congress passed Staggers Rail Act to allow railroads more pricing freedoms. Staggers Rail Act sought balance between railroad earnings and protecting captivity of shippers. Now, in 2007, railroads have become financially healthy. They have gone from a capacity surplus to a capacity shortage. With each successive rail merger - larger and larger numbers of shippers have become captive to a single railroad. Today whole states, whole regions and entire industries have become captive to a single railroad. This was not the balance Congress had in mind. Rail shippers are frustrated with the current regulatory environment by the Surface Transportation Board (STB). Efforts need to be made to change the laws nationally. States need to create more transportation competition.

Rep Trail asked what would happen if Congress would increase and standardize the weight limits on the highways? **Mr. Whitesides** said it would give us more competition.

Chair Wood asked about the destination of these trucks? **Mr. Whitesides** made the point that shippers can't just focus on one of the industries to make things work. The goal is to make all of them more efficient.

Rep Hagedorn questioned whether monopoly is the right term when we are referring to these different modes of transportation. The understanding that grain growers have the capability to move the grain by rail, truck or barge although it might be more expensive than what their profit margin can handle. **Mr. Whiteside**, stated we can not afford to move all the grain by truck. There is just too much of it. There are many products that have to move on rail and we need a reliable, safe and efficient and reasonably priced system.

Rep Durst asked what is considered in the cost? **Mr. Whitesides** said you have both a fixed and variable component in an asset such as a locomotive. That is why the regulators go to 130%-140% of variable that covers that fixed sub-cost component which gets you to full cost.

Six future strategies Idaho may want to consider: 1) Explore and develop all rail or truck competitive options, 2) Support all efforts at local, state, and federal level to increase choices in rail transportation' 3) Support establishment of core rail branch lines, 4) Develop lines of communication with all major transportation providers that serve Idaho, 5) Develop methodologies to lower transportation input costs in Idaho, 6) Litigate and participate on development of transportation issues.

ADJOURN: There being no further business the meeting was adjourned at 2:37 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 22, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** None

GUESTS: See attached sign-in sheet and highlighted presenters below.

CALL TO ORDER Chair Wood called the meeting to order at 1:37 p.m.

**MINUTES of
February 14, 2007** **Representative Ringo** made a motion to approve the minutes of February 14, 2007 as written. A voice vote was taken. **Motion approved.**

H 144 **Rep. Hart** presented H 144 proposing that the Idaho Department of Transportation will first offer surplus real property valued at \$10,000 or less to those property owners who properties are contiguous to the surplus property being offered. The amendment to the bill would change the value to \$50,000 or less or if the parcel is less than one acre in size it would first be offered to the contiguous property owner. The amendment also requires that if the contiguous property owner does not want to by the property it will go to public sale at that time. When it goes to public sale state agencies have every right to bid on the parcel with the rest of the public.
Question/Discussion
Rep Ringo asked for clarification does the contiguous property owner have first shot at the parcel? The contiguous property owner has first shot at the property if there are more than one contiguous property owners then ITD has a private auction between the contiguous property owners. A private auction would cost ITD about \$200 where a public auction would cost ITD about \$5000. This is one of the reasons the value of the parcel was raised to \$50,000 so there would be no need to have an auction that would cost \$5000 for a parcel valued at \$10,000.

MOTION: **Rep Bedke** made a motion to send **H 144** to general orders with committee amendments. A voice vote was taken. **Motion approved.**

H 146 **Rep Hart** presented H 146. The legislation relates to land uses around airports. With the state of Idaho's ongoing urbanization, airports which were once located in rural areas are becoming surrounded by urbanized development. Sometimes this urbanization creates conflicts between what had been ongoing operations of the airport and the airport's new neighbors. This legislation would declare the normal, historic and ongoing operations of an existing airport to not be a nuisance with regard to new developments near an airport. The legislation also requires city and

county planning departments and comprehensive plans to discourage new developments near airports which will likely be incompatible with the airport's existing operations. This bill would make a finding that airports that have been in continuous operation for less than a year have not had any extensive changes in that year would not be a nuisance as related to land uses near the airport that might have come in after the airport was built. There are two other sections in Idaho Code that do similar things; the Right to Farm Act and Forest Practices Act.

Chair Wood related an incident that has happened at the Rigby airport. The airport made an upgrade. A development was allowed to build near the end of the runway of the airport and now residents of that development are voicing complaints about the noise from airplanes flying over their homes. **Rep Hagedorn** asked if the word nuisance is defined in code. **Rep Hart** answered that the term has been in front of the courts many times.

Bill Miller with the Idaho Aviation Association is the V.P. for Governmental Affairs. The association represents about 1000 pilots around the state of Idaho. Mr. Miller testified in support of H 146. Mr. Miller said the benefits of H 146 would sustain airport operations and allow airports to grow in the future. This bill also allows for citizen and community protection. It puts the public on notice that there is an airport. It requires county and cities with an airport to discourage incompatible uses adjacent to an airport or in the flight path of an airport through planning and zoning plans. There are mechanisms used in this type of zoning, airport overlay zone and aviation easements. These are simply maps showing the areas, boundaries, structures, obstacles and approved land use that can take place. The city of Caldwell (Caldwell Industrial) and Boundary County (Bonner's Ferry Airport) use these mechanisms successfully. Mr. Miller referred to a handout that designated by a airplane marker the different airports around the state and the issues that these communities and airports are faced with now and that H 146 would have addressed prior to them becoming a problem. **Attachment # 1.**

Mr. Bob Martin, Executive Director of the Idaho Aviation Foundation, testified in favor of this legislation. Mr. Martin stated he believed the intent of the bill is to address a situation which is now taking place not only in Idaho but all too frequently across the nation. That is the encroachment of non-compatible development around airports which results in the threat of airport closures. There are about 5000 public use airports in the nation about 420 are served by the Airlines. Idaho has 128 public use airports and 6 are served by Airlines.

In Idaho our 128 airports create 28,500 jobs with a payroll of \$650 million. Economic output of \$1.5 billion for our state and communities.

The use of the state's general aviation airports located in our communities are quite varied and not easily recognizable. In addition to the economic benefits, these airports support the communities in other ways. Private users, business use, freight & small packages, health & medical (emergency medical evacuations), law enforcement, Ag – spraying, disaster relief, firefighting, and search & rescue.

Airports are an important commodity, particularly in a geographically

dispersed state like ours. We must ensure they remain viable facilities. All of our airports have been here a long time; we don't see new public airports being built. When they were built, they were normally placed in a location which was away from town somewhere out in an open field.

Two things have happened to cause concern. The industry has grown and our population has grown. Those who work and manage our countries air traffic system expect a 3x growth of air traffic within the next 20 years – both airline and general aviation. General aviation is everything but airline, air cargo and military.

The concern we have with population growth has to do with what is built around an airport. Not that building is taking place, but what is being built. Airports normally have open space around them, they were designed that way. As building demands occur, these open spaces around airport become very desirable for developers; they are ripe for the picking.

There is nothing wrong with developing land around an airport, but a problem arises when that development is not compatible with airport operations. We know airplanes make noise, especially around an airport – that is where it is concentrated. It makes sense then that noise sensitive building (schools, hospitals, nursing homes, residential buildings) should not be built around an airport or under the space where airplanes take-off or land. It does make sense to develop these airport areas with commercial and industrial buildings. In fact, not only are these type of buildings compatible with airports, but airport business parks have become quite desirable across the nation.

What typically happens when non-compatible development occurs, especially residential building, is that people move in either knowing or not knowing they are next to an airport. They become disturbed with the noise created by airplanes, and they begin an initiative to close the airport. When this occurs, the airport normally loses.

H 144 will cause communities to plan land-use and future development around an airport helping to protect an airport from the encroachment of non-compatible building, and protect citizens from those unwanted noise disturbances.

Question/Discussion

Rep Ruchti asked for clarification in the language in section 1 paragraph (4). **Rep Hart** said that if the criteria in a, b, and c are met then the airport is not creating a nuisance but if the airport deviates from the criteria found in a, b, and c. then the statute does not protect the airport.

Rep Wills asked what does the word “viable” mean on line 27. **Rep Hart** said it means the airport is being used and is economically healthy.

Matt Ellsworth, Centra Consulting, representing Hayden Canyon a land use development in northern Idaho. Is testifying against **H 144**. The intent of this legislation is noble. Pre-existing airports should not be pushed out of operation by new comers to the area. Locally driven mechanisms are a better way to achieve this goal.

Currently the local governments already have the ability to manage the growth of area around airports. Many in fact do it very well without a state mandate. Examples of this are Caldwell Industrial and Bonner's Ferry Airport. Quite simply this bill is a mandate to how local governments have to plan their cities and counties. A mandate that takes the rights of private property owners to a local process of development of their own private property. There are technical citation problems. In Section 3; Line 28 "incompatible development" this is not defined and is very subjective. Who will determine and define "incompatible"? What is "incompatible" in Salmon is not necessarily in Twin Falls. Universal standard is dangerous and lacks flexibility for local control and is an invitation for litigation which the local government will bear NOT the state.

Section 5 mandates local governments oppose developments that "may" fall under the yet to be defined "incompatible" use. It strips local planning and zoning, cities and county commissions from their right to growth planning and puts it in the hands of the state. It takes away the rights of citizens to comment and affect the operations of a taxpayer owned and managed facility.

Rep Moyle referred to **Mr. Ellsworth's** comment that the intent of the bill was good and asked if he had looked at the bill and had he talked to the sponsor to address some of his concerns. **Mr. Ellsworth** said he had spoken to the sponsor and he is willing to work with the sponsor to try and fix the portions he finds troubling.

MOTION:

Rep Moyle made a motion to hold H 146 to a time certain of Wednesday, February 28, 2007. A voice vote was taken. **Motion approved.**

H 150

Rep Eskridge presented H 150. The purpose of this legislation is to create the rural Idaho economic development biofuel infrastructure matching grant fund. Moneys in the fund may be used for providing grants for up to fifty percent (50%) of the cost of installing new fueling infrastructure dedicated to offering biofuel for retail sale, or for upgrading existing fueling infrastructure that is certified as incompatible with biofuel, including cleaning existing storage tanks, for the purpose of offering biofuel for retail sale. In order to sell ethanol in existing tanks a retailer has to go through quite an extensive cleaning process because ethanol will loosen particles and dirt from the tanks that would not be good for vehicles. Any person who qualifies for the grant must make biofuel available for resale for a continuous 5 year period or will be subject to recapture of any of the grant money awarded. This program sunsets on July 1, 2012.

Chair Wood asked what the fiscal impact would be. **Rep Eskridge** said the total anticipated investment by retailers over this five year period would expect to be about \$4.6 million. The total 5 year investment from the state at a 50% match would be \$2.3 million. The first year is expected to start off rather slowly with a fiscal impact of \$690,000 followed by FY09 -FY12 at \$1,610,000.

Representative Smith (24) expressed concern about how many tax credits, grants and programs there are available to subsidize the development of the biofuel industry in Idaho. Stinker stations sell ethanol and have not asked for subsidies. How do they do it? Russ Hendricks stated he was unaware that Stinker stations had any objection to this legislation.

Russ Hendrick, Idaho Farm Bureau Federation testified in favor of the bill. 63,000 Idaho families who are members of Idaho Farm Bureau support H 150. Our entire state economy and all consumers will benefit from use of Bio-fuels. More fuel added on this end of pipeline will increase supplies and help stabilize and reduce prices. It will improve air quality and increase rural economic development by using Idaho products to produce fuel for Idaho. Monsanto, Idaho Retailers, and Idaho Grain Producers are in for this bill. **Attachment # 2.**

Question/Discussion

Five points were brought out in the committee discussion. 1) 10 percent blend of ethanol with 90 percent gasoline is given a federal incentive of 5.1 cent federal fuel tax reduction and Idaho gives 2.5 cent reduction. 2) The average cost an owner incurs to prepare his tanks for biofuel products is approximately \$1500. 3) The supply of biofuel coming into Idaho is about 3% of all fuel. 4) There needs to be legislation in the future that biofuels would pay fuel tax. 5) Studies show gas mileage decreases in some automobile models but improves for others.

Tim Rafael, Director of Current Affairs for Pacific Ethanol, testified in favor of H 150. Mr. Rafael stated that biofuels play an important role nationally in supplying transportation fuel. The current production of 5 billion gallons of domestic ethanol means the U.S. reduced imports last year by 170 million gallons. The biofuel industry is beneficial to the environment and the economy.

Rob Black owner of Blue Sky Biodiesel testified in favor of the bill. Biodiesel is a biofuel. **Mr. Black** referenced Stinker stations and stated the reason they have biodiesel is they have a federal grant. They have a plant in Idaho but no usage in Idaho.

John Watts legislative council for Pacific Ethanol testified in favor of the bill.

Suzanne Schaefer represents the Idaho Petroleum Marketers and Convenient Store Association and testified in favor of the bill. **Ms. Schaefer** stated there are several costs beyond the initial cleaning. To add ethanol to a system could potentially mean adding a whole new system because of the blending of the fuel.

Rep Hagedorn sees this bill as an incentive for investments that will help the economy and the environment of Idaho.

MOTION:

Rep Bedke made a motion to send **H150** to the floor with a do pass. Roll call was taken (voting **Nay** Hart, Smith (24), Roberts, Moyle). **Motion approved.**

H 200 **Chair Wood** turned the gavel over to **Vice Chair Hart**.
Rep Anderson presented H 200. This legislation adjust the base rate for registering a boat in Idaho from \$13 to \$20.

MOTION: **Rep Wills** made a motion to send **H 200** to the floor with a do pass. A voice vote was taken. **Motion approved.**

S 1049 **Regina Phipps**, ITD presented S 1049. The legislation proposes a change to eliminates archaic language authorizing the pre-qualification of variable load suspension (VLS) axles. The second change allows variable load suspension axles to not be self steering as long as the VLS axle is within 5 feet of the remaining axles.

MOTION: **Rep Will** made a motion to send **S 1049** to the floor with a do pass. A voice vote was taken. **Motion approved.**

S 1050 **Amy Smith**, Vehicle Services Manager for ITD presented S 1050. This legislation removes the current twenty day time limit for perfecting a security interest in a vehicle or vessel title. The changes are requested in order to comply with changes made regarding Federal Bankruptcy Code which was amended by Congress in 2005 to allow up to 30 days for lenders to perfect a security interest in a vehicle or vessel title of ownership. This change was effective October 1, 2005.

MOTION: **Rep Ringo** made a motion to send **S 1050** to the floor with a do pass. A voice vote was taken. **Motion approved.**

H 55 **Rep Hagedorn** presented H 55. Its intention was to provide protection to citizens of Idaho that might be assigned to a guard unit of another state if that guard unit is called by the Governor of the other state. The amendment clarifies language that when an emergency proclamation is made it may be made by a Governor not exclusively the Governor of Idaho for the purpose of calling up National Guard units within their states.

MOTION: **Rep Wills** made a motion to send **H 55** to the general orders with committee amendments. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 3:25 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 26, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Representative Moyle, Wills

GUESTS: See attached sign-in sheet and highlighted presenters below.

Call to Order: Chair Wood called the meeting to order at 2:47 p.m.

**MINUTES of
January 30, 2007** **Representative Shepherd (2)** made a motion to approve the minutes of January 30, 2007 as written. A voice vote was taken. **Motion approved.**

**MINUTES of
February 20, 2007** **Representative King** made a motion to approve the minutes of February 20 as written. A voice vote was taken. **Motion approved.**

Chair Wood called the committees attention to a letter inviting them to VII Roadshow a technical road show March 1, sponsored by the Idaho Transportation Department. She said that if there was interest in going there would be a van available to take members of the committee to the Roadshow.

H 228 **Rep Anderson** presented H 228. This legislation is necessary in order to provide an adequate time period for an audit to occur following the end of the fiscal year ending on September 30 of each year. Moving the required date from November 1 to January 1 will allow a reasonable time for an audit of the previous year's activities to be completed. The month on line 18 needs to be changed from December to January. The Association of Highway districts have been notified and have no objection to this change.

MOTION: **Rep Roberts** moved to send **H 228** to general orders with committee amendments. A voice vote was taken. **Motion approved.**

H 229 **Rep Eskridge** presented H 229. This legislation requires the Governor direct the POW-MIA flag be displayed daily at the State Capitol, Idaho State Veterans' cemeteries and Idaho State Veterans' homes. This legislation allows but does not direct the POW-MIA flag be flown at other state or local government buildings.

Question/Discussion

Rich Sessler stated it is estimated there is in excess of 1400 MIA's today. Teams are constantly looking for the MIA's.

Michael Grigsby, stated that Governor Kempthorn requested the POW-

MIA flag be taken down and taken to the new Idaho Veteran's cemetery and be flown there. Since that time the flag has not been replace at the capitol. That is one of the concerns of the veterans. The POW-MIA flag is the only other flag that is permitted to fly with the US colors at the Nation's capitol.

MOTION:

Rep Nonini made a motion to send **H 229** with a do pass recommendation. A voice vote was taken. **Motion approved.**

Chair Wood introduced **Pamela K. Lowe**, Director of Idaho Transportation Department. Ms. Lowe presented information on GARVEE. Director Lowe referred to a slide show. **Attachment #1.** The six corridors authorized by 2006 Legislature for \$200 million with interest the \$200 million increases to \$213 million. The 2006 GARVEE highway improvement projects Idaho is receiving for its \$213 million: 1) U.S. 95, Garwood to Sagle; Begin designing a four-lane divided highway (31.5 miles). Design from Garwood to Kootenai/Bonner county line (13.1 miles) Buy right-of-way in Chilco area. Start buying right-of-way in Athol/Sagle area. Get environmental clearance \$37.8 million. 2) U.S. 95, Worley to setters. Build 4.2 miles of four-lane divided highway with an interchange at SH-58 (stage 1). 3) SH 16, I-84 to South Emmett. Develop a concept for 7 miles of four-lane divided highway from I-84 to SH 44. Begin environmental clearance. 4) I-84, Caldwell to Meridian. Rebuild westbound Eagle Road off ramp. Design additional lane from Garrity to Meridian (6 miles). Build a third westbound lane and repair existing lanes from Garrity to Meridian (6 miles). Design the Ten Mile interchange and buy some right-of-way. Get environmental clearance. 5) I-84, Orchard to Isaac's Canyon. Repair existing lanes from Gowen Road to Issac's Canyon (3 miles). Design repairs for Curtis to Gowen road (6 miles). Start designing a third lane from Curtis to Broadway Avenue (3.5 miles). Start designing the Orchard Avenue interchange. Design north sound wall wall from Curtis to Broadway Avenue. 6) U.S. 30, McCammon to Soda Springs. Build 3.5 miles of highway from Topaz to Lava Hot Springs. Design Topaz and Portneuf bridges (6 miles).

The 2008 GARVEE Projects request for GARVEE bonding authority is \$264.2 million. for the following: 1) US 95, Wyoming Avenue in Garwood to Sagle. Design, buy right-of way, and build a 4 lane divided highway from Wyoming Ave. To Garwood with interchange at Lancaster (2miles). Bur remaining right-of way in Athol/Sagle areas. 2) US 95, Worley to Setters, finish construction of stage 1. 3) SH 16, I-84 to South Emmett environmental clearance. 4) I-84, Caldwell to Meridian, build third east-bound lane from Garrity to Meridian. Design fourth lane from Garrity to Meridian. Design third lane for Garrity interchange bridges. Design and buy right-of-way for a third lane from Franklin Boulevard (Nampa) to Garrity. Buy remaining right-of-way for Ten Mile interchange. 5) I-84, orchard to Isaacs canyon. Buy right-of-way and build north sound wall from Curtis to Broadway. Repair existing lanes from Broadway to Gowen (2.5 miles). Design third lane from Curtis to Broadway (3.5 miles). Buy right-of-way and design Orchard interchange . Design Vista interchange. 6) US 30, McCammon to Lava Hot Springs. Build Topaz and Protneuf River bridges. Build 2.6 miles of four-lane highway. 7) SU 93, Twin Falls alternate route , stage 2. Build 5.2 miles of four-lane highway from just west of Grandview Drive to the US 30 interchange.

GARVEE Amortization Schedule is a bond pay back schedule used to identify the estimated debt service payments by state fiscal year for each of the different bond series. It also identifies the cumulative debt service for all bond issues by state FY. The actual debt service payments for the \$200 million in bonds (this amount includes principal, interest, and fees) that were issued last May would be \$286 million by 2025. The estimated debt service payments for the requested 2007 series of bonds, \$264.2 million would be \$373 million in principal interest and fees. The estimated debt service payments for the rest of the five year \$998 million bond plan would be \$1.5 billion.

Value of Bonding- One of the advantages to paying for projects with GARVEE bonds is that the public gets to use projects earlier than they would if we had funded the same projects using our traditional pay as you go method. There are costs associated with not having projects built when the public needs them. There are many costs associated with congestion. Some of the costs of congestion are lost time to commuters and people delivering goods and services across Idaho, and lost money from wasted fuel. Those are obvious impacts. Other costs due to congestion are less obvious. This is from a report called Why Mobility Matters.

"Congestion can be a problem even when we avoid it. Because gridlock is so unpredictable, we build buffer time into our travel plans. We give ourselves an hour to make a trip that would take 30 minutes without congestion. Even if we manage to avoid congestion, we show up 30 minutes early and sit in a parking lot. Buffer time, is wasted time and it adds up." There are also costs associated with accidents that could have been prevented if safety project are done earlier.

When comparing the cost of GARVEE bonding with our traditional pay-as-you-go method when showing the GARVEE projects inflated to the year they would be built in shows it can make sense to borrow. There would be user costs (fuel, congestion and safety) of not having the projects built until the year that they could actually be constructed in. Anticipating having the GARVEE projects built by 2013. The total cost of the projects, including interest paid to bond holders and user costs are \$1.6 billion. The interest of \$475 million would not be paid out until 2029. If the traditional pay-as-you-go method is used, and inflation runs 5 percent, the building of the 998 million dollar project would be done in 2032. The construction cost of the projects would be \$1.6 billion, the user costs would be \$572 million, bringing the total cost to \$2.2 billion.

Idaho is growing fast, but the growth is not solving our revenue issues. Our revenue is flat, but our costs are increasing. So we are able to put less funds towards our deteriorating, but heavily used transportation system. Idaho's transportation leaders recognized these emerging trends. The board organized the Forum on Transportation Investment and asked a cross section of state and community leaders to participate in multiple meetings around the state. They were asked to identify possible funding solutions. The forum suggested and the board adopted these recommendations as possible solutions to address shortfall. The solutions are: a 7% highway preservation fuel tax; eliminate ethanol fuel exemption; increase annual registration fees for cars and trucks; implement a rental car fee; increase permit fees; and impact fees. All of these solutions include keeping Idaho's 25 cent per gallon fuel tax. These solutions

generate \$203.1 million annually in additional revenue - the amount the forum identified. \$9.2 million of these funds will go to Idaho State Police, and \$69.5 million will go to local road jurisdictions

Idaho is not unique in looking to increase its transportation funding. Almost every state is searching for ways to raise more money for transportation.

Chair Wood invited **Director Lowe** back to inform the committee about the STIP program.

ADJOURN: There being no further business the meeting was adjourned at 4:03 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: February 28, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Rep Moyle, Roberts, Nonini

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chair Wood asked for unanimous consent to bring **H 53** back to the committee. A voice vote was taken. **Motion approved.**

H 53 **Representative Hagadorn** presented H 53. This legislation provides the Adjutant General authority to call National Guard members to special duty on behalf of the state, provided such call-up is with the consent of the member. The amendment clarifies that the call-up period is 72 hours in length after which the Governor's approval is required.

MOTION: **Representative Ruchti** made a motion to send **H 53** to general orders with committee amendments attached.

Representative Bedke asked if the Governor had any objections to the change. **Lt. Col. Dahle** said the Governor had no objection to the bill before the amendment and since the amendment limits the authority of the Adjutant General he did not see that being an issue. **Representative Ruchti** commented because of the training and authority a National Guard member has when he is called to special duty he felt that call should come from an elected official if it would be for a longer period of time than 72 hours.

Representative Mortimer asked why the specific period of 72 hours. The main reason was to allow time to contact the Governor over a three day holiday weekend if the National Guard member was needed for a longer period of time. A voice vote was taken. **Motion approved.**

H 146

Rep Hart presented H 146. H 146 was heard in committee last week on Thursday, February 22. The legislation relates to land uses around airports. With the state of Idaho's ongoing urbanization, airports which were once located in rural areas are becoming surrounded by urbanized development. Sometimes this urbanization creates conflicts between what had been ongoing operations of the airport and the airport's new neighbors. This legislation would declare the normal, historic and ongoing operations of an existing airport to not be a nuisance with regard to new developments near an airport. The legislation also requires city and county planning departments and comprehensive plans to discourage new developments near airports which will likely be incompatible with the airport's existing operations. This bill would make a finding that airports that have been in continuous operation for 3 years, have not made any extensive changes would not be a nuisance as related to land uses near the airport that might have come in after the airport was built. It specifies the FAA regulations be used when identifying incompatible uses adjacent to an airport or in the flight path of an airport runway and clarifies language. **Rep Hart** mentioned that there was concerns from the City of Hayden.

There was concern from the committee if the airport would prevail over any pre-existing ownership. The amendment in paragraph (d) that states "there is no significant increase in the type or character of the air traffic associated with the airport." clarifies the conditions when an airport becomes a nuisance and gives protection to pre-existing ownership.

Bill Miller, with the Idaho Aviation Association is the V.P. for Governmental Affairs. He testified in support of the bill. This bill allows for acceptable growth and development around airports, protect citizen and community's prior investment in the airport. It provides fair notice to developers and the public. It would allow airports to grow normally and continue serving the community.

Curt Hawkins, Manager of the Caldwell Airport testified in support of H 146. Over the last twelve years there has been one airport close their doors every two weeks. 85% of those that closed did so because of incompatibility.

Matt Ellsworth, stated the legislation was improved with the amendments. However, these amendments are lacking a critical change... and that is to remove the portion in section 5 line 3. The word "shall." This term is simply a mandate from the state to the local government on how they must undertake their local planning processes.

Taking away the tools of local planning and placing it the hands of the state makes for poor public policy. I would ask you to send house bill 146 to general orders to remove the term "shall" or hold the legislation.

William Statham, Idaho Transportation Department, Division of Aeronautics project manager for airport planning and development for the state. **Mr. Statham** stated as it stands in Idaho code through the local land use planning authorities the municipal governments have the authority to include airports in their comprehensive plans and enact zoning regulations for those airports. The intent is to instruct

municipalities that have airports in the area of impact the need to become involved in the planning and protection of that airport. Incompatible land uses are defined by Federal Aviation Administration regulations part 150 which gives preferred or not preferred noise levels.

MOTION:

Rep Hagedorn made a motion to send **H 146** to General Orders with committee amendments attached. A voice vote was taken. **Nay** votes Rep Mortimer and King. **Motion approved.**

Chair Wood turned the gavel over to **Vice Chair Hart.**

H 187

Rep Wood presented H 187. This legislation clarifies definitions of ATV, UTV, and moped. There is a large disparity from county to county in how these regulations are interpreted and enforced. The only way you can know for sure if you are complying with the regulations is to call your local sheriff's office.

This bill will allow ATV/UTV vehicles to ride on unpaved roads and any sections of paved road designated by the local jurisdiction with the purchase of a \$10 registration and license plate. This fee will go into the highway distribution account which funds the maintenance of roads. This bill will allow ATV riders who only ride on trails to purchase a Parks and Recreation sticker for \$10 instead of the license plate. This fee goes to the state Parks and Recreation Department. Either the license plate or the sticker will allow the rider to cross a state highway at designated locations; and it will reinforce local jurisdictions' abilities to adopt ordinances to close unpaved or portions of unpaved roads where there are good reasons to restrict ATV/UTV traffic.

In addition, this bill incorporates minimum motor vehicle safety standards, allows for conversions of off-road motorbikes into street legal motorcycles, and provides uniform rules for the operation of mopeds. Under the bill, mopeds will need to be registered. This will allow a licensed rider to operate on the roads where the speed limit is 35 mph or less. For roads with a higher speed limit, the rider could travel on the shoulders of the road similar to a bicycle...but could not ride in the bicycle lane unless under pedal propulsion. Mopeds would not be allowed on the interstate. The amendments to the bill clarifies the Idaho Board of Transportation has authority to designate crossings. It also clarifies the description and licensing requirements of utility type vehicles.

In response to a question. **Rep Wood** said the intent was to put all the unconventional vehicles into one section of code and to make sure Idaho is conforming to the federal motor vehicle standards. **Rep Wood** yield to **Amy Smith** from the Idaho Transportation Department stated it made sense to make the ATV and UTV regulations more uniform. A question was asked if ATV, UTV and motorbike organizations were informed about this bill and if they were in support. **Rep Wood** yield to **Dave Claycomb** from the Idaho Department of Parks and Recreation. **Mr. Claycomb** stated after correcting some bad information that was circulating these organizations can support this bill.

Rep Hagedorn declared rule 38.

MOTION: **Rep King** moved to send **H 187** to General Orders with committee amendments. A voice vote was taken. **Motion approved.**

Presentation: **Vice Chair Hart** returned the gavel to **Chair Wood**.

Roger Seiber from Capitol West served for 18 months on Governor Kempthorn's Blue Ribbon Task Force. This task force consisted of about 40 people from around the state. They were charged with the task of looking at the transportation infrastructure issues. The solution of raising taxes on fuel, vehicle registrations, rental vehicles and toll roads was very frustrating. So when this idea of STAR financing surfaced it was very intriguing.

STAR financing is a private sector approach for funding transportation infrastructure. Other states have used this method as well.

The purpose of this legislation (**H 250**) is to establish a new method of financing public transportation infrastructure projects utilizing the State Tax Anticipation Revenue (STAR) concept. Upon approval of this legislation, private funds could be used to pay for all phases of qualified and approved projects to interstate and other state highways, from development to right-of-way acquisition, to construction.

The developer of a retail commercial complex whose stores sell tangible personal property or taxable services, may qualify for a rebate of taxes paid on purchases at the site to reimburse the developer for project expenses incurred for the installation of approved transportation improvements.

An account will be established within the State of Idaho treasury to receive funds from a portion of sales taxes collected on the site as a result of new businesses and economic development attracted to the location. The Tax Commission will have oversight responsibilities for all monies disbursed to repay the costs incurred by the private sector to construct the facilities, after approval by the Idaho Transportation Department.

No general fund or Idaho Transportation Department budget funds would be used to construct the transportation improvements. Appropriate checks and balances are specified to ensure the integrity of the transfer of funds.

Project management would be coordinated through local, state, and federal units of government. Acquisition of additional right-of way will require the transfer of ownership to the Department if purchased by the developer.

The estimated new sales tax revenue at build out of the first "pilot project" is estimated to be \$30 million dollars annually.

Question/Discussion

Several points were clarified during the discussion.

- 1) No one would be excluded from participating if the parameters are met. The complex is worth at least \$4 million and a minimum of \$8 million to \$35 million for the value of the transportation project / facility.

- 3) Sales taxes are collected from the project and remitted to the Tax Commission. The developer then applies for a rebate for a portion of the sales taxes collected from the Tax Commission.
- 4) As a result of new development the new sales tax dollars rebated back to the developer would be paid off at 60% and 40% would stay with the state.
- 5) The project would be under the supervision of the state but could be built by private enterprise.
- 6) Construction workers for a private company, although not required to be paid under the Davis Bacon Act if no federal dollars are used, usually compare with that pay scale.

Julie Pipal, ITD addressed the resolution passed by the Board of Transportation in support of the project that uses this concept. This resolution does not obligate the board to build this project without the money from the developer. **Attachment # 1.**

ADJOURN: There being no further business the meeting was adjourned at 4:08 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 2, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Rep Smith(24), Nonini

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chairman Wood called the meeting to order at 2:05 p.m.

Minutes: **Rep Wills** moved to accept the minutes for February 22, 2007 as written.
February 22, 2007 A voice vote was taken. **Motion Approved.**

Chair Wood turned the gavel over to **Vice Chair Hart**.

H 249 **Rep Wood** presented H 249. This legislation places the legal incidence of the motor fuels tax on distributors. This is consistent with historical practice and reverses the effect of recent court decisions. It also affords the opportunity for entering tribal agreements.

Fuel tax money is Idaho state tax money and should be collected from everyone. Everyone uses Idaho roads and bridges. This is a fairness issue.

H 249 aligns with the language in the Kansas statute that was upheld by the US Supreme Court.

Last year H 661 was brought before the committee. That bill was not passed out of committee. The understanding was this would allow time for negotiation with the Governor's office.

David Kerrick is representing the Nez Perce tribe. They do not support H 249. The Nez Perce tribe has a tribal fuel tax of \$.25 which is equal to the state tax. Many tribal members buy their fuel off the reservation where it is cheaper. This issue has been an on going dispute. This bill looks as though its an effort to go back to court. There has been a lot of progress but they feel because of the three Governors administration changes it hasn't progress sufficiently. Negotiations are ready to resume with the Governor.

A question was asked. If there has been a good foundation laid with the governors over this long period of time why no conclusion? **Mr. Kerrick** said in November Governor Risch realized that a solution for this issue

should be left up to the new administration, but we are encouraged by the new concepts with see coming from the new administration.

A question was asked. Is the date of December 1, 2007 not enough time to work with the new Governor? **Mr. Kerrick** said the tribe did not like the fact that the tax goes into effect immediately when the bill is passed and that there is no exemption until an agreement is made or the date of December 1, 2007. The tribes feel this gives the tax commission the authority to go after these funds.

The \$.25 that the tribe collects goes into the tribes general fund. This fund is applied to social services, health care, surrounding county's sheriff departments, asphalt around the casino at the request of the state, and some of it went toward a joint water line project with the city of Lewiston. A question was asked. The majority of the miles that are driven by the fuel bought from the tribe are they not driven on federal and state highways? **Mr. Kerrick** did not know.

Summary of the Pottawatomie court case. There was legislation passed by Kansas it was declared unconstitutional and the ruling was in favor of the Pottawatomie Tribe. Since then the case has gone to the U.S. Supreme Court and the ruling was in favor of Kansas. H 249 is design to parrot the Kansas law.

The Nez Perce fuel tax generates about \$500,000 over a year's time from the \$.25 fuel tax.

Vice Chair Hart turned the gavel over to **Chair Wood**.

MOTION:

Rep Bedke made a motion to send **H 249** to General Orders with committee amendments. The amendment would remove the emergency clause and in Section 7 specify "This act shall be in full force and effect on and after December 1, 2007."

Delbert Farmer, Revenue Director of the Shoshone-Bannock Tribes Tax Department, represents the Shoshone-Bannock Tribe and they oppose the bill. Their position is different than the Nez Perce and what has been expressed to this point. The Sho-Ban Tribe believes if anyone comes onto the reservation and does business with us the revenues should belong to the tribe. The tribe has taxes on utilities (Idaho Power, Utah Power, Intermountain Gas, Northwest Pipeline), fuel and tobacco. The tribe needs the revenue. The reservation is large, has an interstate that goes through it, has diesel sales and the tribe wants to be a member of IFTA. Because of these issues they believe their agreement is more complicated and the December 1, 2007 deadline would be a problem.

Mr. Farmer said they need to negotiate on the \$.01 tax on the diesel but they believe that all of the gas taxes belongs to the tribe. The tribe doesn't use much or anything of its revenues on maintenance of Idaho roads but does maintain tribal roads. The tribe gets some federal dollars.

Mr. Farmer would like to see people working with people.

Bill Roden represents the Coeur d' Alene Tribe. The Coeur d' Alene tribe

would support the amendment that allows for negotiations to go on through December 1, 2007. The negotiations are confidential but they feel that the negotiations are very harmonious and feel they can come to terms. **Mr. Roden** said the Coeur d' Alene tribe does not have to deal with IFTA since they do not have an interstate on their lands.

Francis SiJohn Vice Chairman for the Coeur d' Alene Tribe testified in opposition to H 249. The Coeur d' Alene tribe has a 25% tribal fuel tax. 10% goes to transportation planning; 10% waterway improvements; 5% transportation projects. There are about 600 roads within reservation boundaries of these there are state, county and secondary roads. The money we receive from the bureau of Indian affairs is insufficient.

Mr. SiJohn believes the issue is a sovereignty issue. The Coeur d' Alene Tribe has an inherent sovereign authority to have a tribal tax.

Chief Allen Chairman for the Coeur d' Alene Tribe is opposed to H 249. The Tribe prefers to assume a cooperative approach. Working together, rather than under the gun of tough legislation, the Tribes and the state may be able to come to a resolution that benefits everyone. The Coeur d' Alene Tribe is committed to our communities. We don't distinguish between Tribal and non-Indians when it comes to supporting important community initiatives with monies for petroleum tax revenues to programs such as City-Link public transportation; the Salvation Army's Ray and Joan Kroc Community Corps Center in Coeur d' Alene.

Brett Adams owner of Adams Petrol testified in support of H 249. This bill will level the playing field for all businessmen in Idaho. This bill benefits Idaho roads. Mr. Adams expressed that he did not feel small businesses could make it one more year at a \$.25 disadvantage. He also stated that he felt both parties (the Tribes and the Governor) had made a good faith effort in finding a solution to this issue.

Kurt Ward owner of Ward Oil testified in support of H 249. Because of the \$.25 advantage the tribes have, businesses can't compete.

Rob Franklin owner of United Oil testified in support of H 249. **Mr. Franklin** stated that the Fort Hall Indian Reservation is selling fuel at or below his cost. **Attachment # 1.**

Suzanne Budge-Schaefer Executive Director for Idaho Petroleum Marketers and Convenience Store Association supports H 249. There are about 60 distributors across the state. These are the companies that move the petroleum products across the state and deliver them to their destination (schools, farms, gas stations). Ms. Schaefer referred to a graph that shows the annual revenue loss due to untaxed tribal fuel. **Attachment # 2.**

Idaho's law has always been the law of first receivership just as the Kansas law was a law of first receivership.

For the petroleum distributor the issue is one of a competitive disadvantage. A \$.25 margin per gallon is a margin that can't be over

come in the marketplace and can put these businesses at risk.

MOTION:

Chair Wood said there is a motion on the table. **Rep Bedke** restated his motion to send **H 249** to General Orders with committee amendments. The amendment would remove the emergency clause and in Section 7 specify "This act shall be in full force and effect on and after December 1, 2007."

Rep Ruchti stated he was not comfortable with Section 5 that gives a deadline of December 1, 2007 for the negotiations to reach an agreement.

A roll call was taken. Voting **Aye** Wood(35), Roberts, Bedke, Wills, Moyle, Mortimer, Hagedorn, Shepherd(2), King. Voting **Nay** Ringo, Ruchti, Absent Hart, Smith(24), Nonini.

ADJOURN:

There being no further business the meeting was adjourned at 4:00 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 6, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Rep Hart, Smith(24), Ringo

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chair Wood(35) called the meeting to order at 2:00 p.m.

**Minutes of
February 26, 2007** **Rep Wills** made a motion to accept the minutes of February 26, 2007 as written. A voice vote was taken. **Motion approved.**

S 1133 **Senator Hammond** presented S 1133. The purpose of this proposal is to allow new technology in studded tires to be used in the state of Idaho. Currently any tire with studs must be removed from use from April 15 to October 15. This change will allow a studded tire to be used throughout the year on Idaho highways when the studs can be retracted below the wear bar of the tire. This tire works with two separate air chambers that can be deployed and retracted with a remote control device. This type of tire is safer for use and will also lessen the wear and tear on the Idaho highways. Some long-term savings could be realized by the Idaho Transportation Department.

MOTION: **Rep Wills** made a motion to send **S 1133** to the floor with a do pass recommendation.

Question/Discussion
These tires are in production at this time. The tires would cost about \$150 to \$200 more than a set of all-weather tires but this would be a savings for those people who buy a separate set of studded snow tires.

A voice vote was taken. **Motion approved.**

H 1118 **Senator Heinrich** presented S 1118. This legislation would increase the snowmobile registration fee by \$10.00 and would clarify how monies are handled in the State Snowmobile Fund. This bill clarifies language that codifies the actual practices of the Idaho Department of Parks and Recreation. This legislation would increase revenue to the Idaho Department of Parks and Recreation for its administrative fee of \$78,366 and provide \$444,074 to the various snowmobile grooming programs throughout the state. 15% of the fees would help to provide law enforcement on these trails.
The snowmobilers and snowmobile industry are in support of this increase

in the user fee. These monies would be used to groom, maintain the trails and maintain the grooming equipment. It would not increase the trail miles.

Question/Discussion

The vendor fee of \$1.50 goes to any vender who sells a registration. If the snowmobiler acquires a registration from the Parks and Recreation Department the department will keep the \$1.50 vendor fee. The \$1.50 would go into the snowmobile fund.

Dave Claycomb, Idaho Department of Parks and Recreation supports S 1133. **Mr. Claycomb** stated the cost of maintaining the grooming machines has gone up considerably. 85% of the monies collected from the fee goes to the counties and they put this money into a snowmobile account. Of these monies more and more is being used to maintain the grooming equipment and less is being used on the grooming of the trails. This is simply because the cost of maintenance and diesel fuel has gone up.

Sandra Mitchell, Idaho State Snowmobile Association (ISSA), supports S 1133. The Idaho State Snowmobile Association is a statewide organization representing approximately 4,000 people, including 36 clubs, and many businesses throughout the state. ISSA is governed by a board of directors with members from every part of the state. At our annaul convention last November, The Board of Directors unanimously voted to ask the legislature for a registration increase. That vote was upheld by the general membership.

Snowmobiling requires an expensive infrastructure and to make that happen, we understand that we must contribute. Increases in the costs of fuel, labor, equipment make this request for an increase in registration necessary.

Every snowmobiler in the state understands the need for the increase. It is real, legitimate and without it, programs are going to be seriously hurt, seasons shortened, and opportunities limited. That will impact not only the private sledder but rural communities that are dependent upon snowmobiling business.

In answer to a question it was brought out there are 49,000 snowmobiles registered in the state.

MOTION:

Rep Roberts made a motion to send **S 1118** to the floor with a do pass recommendation. A voice vote was taken. Voting **Nay Rep Bedke, Moyle. Motion approved.**

Chair Wood announced that **H 286** would be removed from the agenda.

S 1130

Hal Putnam, Idaho Transportation Department, presented S 1130. This legislation is to bring Idaho's Commercial Drivers License (CDL) program into closer alignment with Federal Motor Carrier Safety Administration (FMCSA) regulations. In December 2006, FMCSA was prepared to send a non compliance letter to Idaho for not addressing this issue, which would have been the first step in the process to withhold

highway funding.

Federal disqualification periods for major offenses of CDL holders or those required to hold a CDL must be reflected in Idaho statutes. Idaho's administrative license suspension (ALS) is considered one of those major offenses. While the ALS currently disqualifies CDL holders during the period of suspension (90 days for the first ALS and one year for any subsequent ALS), the disqualification period required by FMCSA regulations for major offenses is a one-year disqualification for the first major offense and a lifetime disqualification for a second major offense (arising in separate incidents). Thus, under the proposed legislation, if a driver had both an administrative license suspension and a DUI conviction in one incident, only one disqualification would be applied.

If this legislation is not implemented and Idaho's laws are found to be in substantial non-compliance with Federal Motor Carrier Safety Administration's regulations. All future increases in FMCSA grant funding to the Motor Carrier Safety Assistance Program will be eliminated.

There will be a permanent 5% reduction of the department's federal aid highway funding the first year (approximately \$6.6 million) and 10% in subsequent years (approximately \$13.2 million annually). The reduction would affect the following categories:

- Interstate Maintenance
- National Highway System
- Surface Transportation Program

This legislation does not use language out of federal regulations, but is Idaho's own solution to the problem, and avoids dismantling or changing the administrative license suspension program, because the Administrative License Suspension program is running well.

MOTION:

Rep Wills made a motion to send **S 1130** to the floor with a do pass recommendation. A voice vote was taken. Voting **Nay Chair Wood(35)**. **Motion approved.**

Chair Wood turned the gavel over to **Rep Moyle**.

HJM 5

Rep Wood (35) presented **HJM 5**. The purpose of this legislation is to send the message to the Congress of the United States, and particularly the congressional delegation representing the State of Idaho that the First Regular Session of the Fifty-ninth Idaho Legislature, the Senate and the House of Representatives concurring therein, that the Congress of the United States, and particularly the congressional delegation representing the State of Idaho, are hereby urged and petitioned to use all of their efforts to withdraw the United States from any further participation in the Security and Prosperity Partnership of North America and any other bilateral or multilateral activity which seeks to advance, authorize, fund or in any way promote the creation of any structure to accomplish any form of North American Union.

The concerns are the amount of money that will be spent on the Trans-Texas Corridor (a highway from Mexico to Canada) which is \$35 billion, the US western ports that would be by passed, and port security (the first port of entry for the United States would be in Kansas City, Missouri).

A question was asked if the highway would go all the way up to Alaska. **Rep Wood** had not seen any information indicating that the highway would go into Alaska. The highway would follow existing highways but would widen them to 16 lanes some for trucks and some for automobiles.

MOTION; **Rep Bedke** made a motion to send **HJM 5** to the floor with a do pass recommendation. A voice vote was taken. Voting Nay **Rep Ringo** and **King**. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 2:34 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 12, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

ABSENT/EXCUSED: Rep Roberts

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chair Wood called the meeting to order at 2:08 p.m. and welcomed the guests to the committee.

Minutes of February 28, 2007 **Rep Wills** made a motion to accept the minutes of February 28, 2007 as written. A voice vote was taken. **Motion approved.**

Minutes of March 2, 2007 **Rep Ringo** made a motion to accept the minutes of March 2, 2007. A voice vote was taken. **Motion approved.**

Minutes of March 6, 2007 **Rep Wills** made a motion to accept the minutes from March 6, 2007. A voice vote was taken. **Motion approved.**

Presentation: **Mr. John Sandy** introduced **Lieutenant General Bruce Wright**. Lt. Gen. Wright is an Idaho native who graduated from Castleford High School. Lt. Gen. Bruce A. Wright is Commander, U.S. Forces Japan, and Commander, 5th Air Force, Yokota Air Base, Japan. In these two command positions he is the senior U.S. military representative in Japan and commander of U.S. Air Force units in Japan respectively.

The general received his commission upon graduation from the U.S. Air Force Academy in 1973 and served as an instructor pilot early in his career. He has held command at all levels -- fighter squadron, group, wing and major command. Prior to assuming his current position, he was Vice Commander, Air Combat Command, with headquarters at Langley Air Force Base, Va., and Air Component Commander for U.S. Joint Forces Command and U.S. Northern Command.

As command pilot, General Wright has more than 3,200 flying hours, principally in fighter aircraft, including 65 F-16 combat missions flown during operations Desert Storm, Provide Comfort and Deny Flight.

Lt. Gen. Wright expressed his gratitude for the United States and desire and commitment to support and defend the freedom and democracy of this great nation with his life.

Asia-Pacific is potentially a volatile region- multiple fault lines include history, culture, religion, territorial disputes, large standing militaries with advanced capabilities, strategic sea lanes, unpredictable regional actors,

resource and economic competition, and transnational threats. The Chinese and North Koreans are playing a major role in the unpredictability of that area. The US-Japan Alliance has served as the foundation for regional peace and stability dating back to 1950's and in 1960 the US signed the Treaty of Mutual Cooperation and Security. Japan's strategic location and the forward-basing of US forces are critical to deterrence and maintaining peace and stability in the region.

The area (Asia-Pacific) is a very dangerous part of the world and we must engage everyday. We need to engage diplomatically, economically and militarily and across the entire information and strategic spectrum of communication we need to make sure the truth is told.

The trade delegation from Idaho and others are powerful. As we engage the Japanese as a friends, neighbors and partners good things happen. The personal economic relationships we build are as powerful as the weapon systems (ships, fighter aircraft, soldiers) that are in my command.

The US Embassy conducts polling data about every quarter. One of the questions asked to about 2000 Japanese from all backgrounds is, "Do you support or what is your view of the US-Japan Security Alliance?" The poll shows there is a 60% approval rating and even more encouraging there is over a 50% approval rating of stationing US forces in Japan. This is the result of hard work and using the United States' principles, ideals and vision to promote a relationship with Japan some 50 years ago.

The de-stabilizing influences in this part of the world.

- 1) North Korea launched 6 ballistic missiles and of those 4 of them can reach Japan. With the dense population of Japan this would cause major damage, loss of life and be economically disastrous.
- 2) China used a ground-based missile to knock off an aging weather satellite. Debris from the destroyed satellite could be dangerous to other space installations. What concerns me is China's development and testing of such weapons and growing its military all the while, saying they want to engage economically and they are an open society and promoting the good will of the 2008 Olympics.

I revere those who take on the hard challenges of leading the state of Idaho making this Nation a great nation and enduring. We have got to work together to preserve this great nation.

Chair Wood thanked **Lt. Gen Wright** for coming. He received a standing ovation.

S 1119

Senator Hammond presented S 1119. The purpose of this legislation is to strengthen Idaho's graduated driver licensing law (GDL) for novice drivers. Idaho's law was enacted in 2000 and became effective in 2001. All 50 states have enacted such laws in the past decade to give novice drivers more time behind the wheel in safer environments so they may gain confidence, skill, and judgment in the process of learning to drive. Despite a 5.6% decrease in serious injury and fatal collisions during the first four years following passage of Idaho's law, Idaho teen drivers' ages 15-19 are still over represented in fatalities, injuries, DUI arrests and aggressive driving collisions. Though Idaho teen drivers' ages 15 to 17 represent just 3.3% of all licensed drivers, they accounted for 8.5% of all

fatal and injury crashes in 2005. Evidence suggests those states with stronger GDL provisions reduce teen crash involvements by limiting risks during the first years of learning to drive.

This legislation extends the four-month period of the Supervised Instruction Permit to six months, to allow teens a more realistic time period to complete the 50-hours of practice now required. It adds a provision limiting the number of passengers for the first six months after a youthful driver is licensed, if the driver is under age 17 when the license is received, and includes a technical provision to assure that cancellation of a permit occurs upon violation involving underage alcohol consumption.

It is expected that this legislation would reduce the number of serious injury and fatal collisions, which would lessen associated crash costs. There would be costs to the Idaho Transportation Department; Programming - \$2900; Postage - \$4000; Manuals - Revisions to the driver's manual are scheduled in June. The GDL changes could be included with the others for no additional cost. Inserts will need to be printed for the Spanish manuals at a cost of approximately \$600. Web Maintenance - The cost to update the online manual and young driver page is minimal.

Dave Carlson representing AAA of Idaho and its 85,000 motorist members support S 1119. A new AAA Foundation for Traffic Safety study that shows 16 year-old drivers are involved in 38 percent fewer fatal crashes and 40 percent fewer crashes resulting in injuries in those states that have at least five of seven common GDL components.

Attachment # 1. This bill adds two of those components 1) the full 6-month period to complete the 50 hours of supervised training and 2) a passenger restriction until the young driver reaches age 17.

MOTION:

Rep Wills moved to send S 1119 to the floor.

Suzanne Schaefer testified in support of S 1119.

Mike Cunningham, Director of Drivers Education for the Boise School District supports S 1119. **Mr. Cunningham** stated that the 6 hours of driving, 30 hours in the classroom and 6 hours of observation was inadequate to keep these young drivers safe.

There was some concern about the six month time period after a student finishes the class before they are able to take the State Knowledge and Skills test.

A voice vote was taken. **Motion approved.**

S 1125

Senator Hill presented S 1125. This bill proposes to modernize and streamline judicial and legal proceedings in automobile insurance litigation. Idaho is one of the few states that does not require insurance companies to offer under-insured motorists coverage. This statute makes sure that Idaho drivers have the chance to decide if they want such coverage. Idaho law requires insurance companies offer uninsured coverage but it is optional to the consumer. This bill would require that insurance companies offer underinsured

coverage also and it would be optional.

This bill makes clear that a consumer who has purchased under-insured coverage gets that coverage in addition to the at fault driver's coverage as long as the amount does not exceed the total cost of the injuries.

Kurt Holzer testified in support of S 1125. **Mr. Holzer** is a lawyer and has dealt with the issue of underinsured motorist coverage dozens of times. This bill is not a mandate and merely places underinsured coverage on the same footing as uninsured motorists coverage.

The bill also prohibits the sale of "phantom coverage." Currently, some companies will sell a \$25,000 underinsured policy. However, they write the language in the policy to claim a credit against anything a severely injured person recovers on a liability policy. All drivers in Idaho are required to have \$25,000 in liability coverage. Thus, the company actually is selling coverage that cannot be used by an insured.

Woody Richards represents Property Casualty Insurance Association of America opposes S 1125. We agree that there needs to be better disclosure for underinsured insurance coverage. We are willing to accept the requirement that all insurance carriers offer underinsured policies in Idaho. The date of July 1, 2007 as an effective day is not a workable date because of computer programming, rewriting the wording of policies, and repricing coverages. We would like the effective date be January 1, 2008. The problem we have with S 1125 is that it mandates that the coverage be excess coverage instead of gap coverage. We would propose amendments. 1) the date change to January 1, 2008 2) allow customers to still have the option of buying either "gap" insurance coverage or "excess" insurance coverage.

Other states do not have the same liability limits that Idaho has of \$25,000.

Right now 9% of Idaho drivers do not carry insurance.

Phil Barber represents the Idaho Council for American Insurance Association. He testified in opposition to S 1125. Gap insurance is not "phantom coverage". The best legislation is the least restrictive kind which we find in H 255 that the House passed. S 1125 without the proposed amendment is the most restrictive.

MOTION:

Rep Hagedorn made a motion to send **H 1125** to the floor with a do pass.

Rep Ruchti declared rule 38 and stated he will be voting on the bill.

Paul Jackson represents Farmers Insurance testified in opposition to S 1125.

Rep Matthews stated disclosure is critical for the consumer and he feels that a penalty should be affixed when a company doesn't disclose. He referenced H 255 which does apply a monetary penalty when companies don't disclose.

Senator Hill stated H 255 and S 1125 do conflict and that will have to be worked out.

A voice vote was taken. **Motion approved.**

S 1134

Rep Wills presented S 1134. The purpose of this legislation is to bring Idaho law into compliance with new federal regulations and clarify the Idaho requirement that trains are not required to sound the locomotive's bell, horn or whistle when approaching any location at which the railroad crosses a private highway, private road or private street. This is normal practice now. If there is activity at the private crossing, the whistle will blow.

MOTION:

Rep Ringo made a motion to send **S 1134** to the floor with a do pass recommendation.

Chris Arvas supports S 1134. This Bill will bring Idaho into compliance with Federal Regulations requiring the sounding of the train whistle at public crossings and clarifies Idaho Law, which does not require the sounding of a train whistle at private crossings. At present, there is some confusion by some railroad companies in Idaho as to whether they are required to blow their horns at private crossings. The federal regulations preempts state law regarding the sounding of the train whistle. Federal regulations require the whistle sound at public crossings and indicates the cadence and time the whistle is to be sounded.

Idaho law required the sounding of the train whistle starting at a distance of 80 rods, approximately $\frac{1}{4}$ of a mile prior to a highway — rail intersection. The new federal regulation sets a time instead of distance. A train travelling at 20 MPH would blow its whistle 20 seconds prior to the crossing instead of a $\frac{1}{4}$ mile prior to the crossing. This reduces the noise pollution by 25 seconds at one crossing. In Idaho, we have approximately 2500 highway rail crossings. About half of these are public and the other half are private. I've been asked, "Does this mean trains will never blow their whistle at private crossings in Idaho?" The answer is, "NO". Although Idaho law does not require trains to routinely blow their whistle at private crossings, it does not prohibit the sounding of the whistle at private crossings.

The General Code of Operating Rules (GCOR) followed by railroads regarding blowing of the whistle at public and private crossings. This is the rule engineers follow when approaching highway — rail intersections, both public and private. In the GCOR, there is a rule that trains must blow their whistle if pedestrians or motor vehicles are at or near a private crossing. This rule provides for warning if there is activity at a private crossing, but eliminates the need for routine blowing of the whistle at private crossings, except in Montana and California which require the sounding of the whistle at all crossings. I don't know how Idaho was added to this list, but clarifying that Idaho does not require routine sounding of the whistle at private crossings will get us off of the list, reduce noise pollution for our communities and still afford citizens that live by private crossings be warned of an approaching train.

Will this relieve the railroads of liability, no. I've worked for the Union

Pacific Railroad for 34 years, most of that time as an engineer, and for the last 18 years I've been involved with Idaho Operation Lifesaver, as a presenter, regional coordinator and as the state coordinator, working to eliminate car-train collisions, injuries and fatalities. If I thought there was anything in S 1134 that increased the potential danger for motorists and pedestrians, I would not support it.

A public crossing is any crossing maintained by a government entity.

Mike Hysell a locomotive engineer testified in support of S 1134.

A voice vote was taken. **Motion approved.**

S 1152a

Trent Wright, Executive Vice President of Idaho Automobile Dealers Association, presented S 1152a. The purpose of S 1152a is to provide specific terms for reimbursement of sales incentive claims to motor vehicle dealers under a manufacturer incentive program, and to provide a time frame for submission of such claims and legitimate audit periods.

Specifically this bill: 1) Adds that an incentive claim that is not disapproved or disallowed in writing within (30) business days after the manufacturer or distributor receives the claim is deemed automatically approved. 2) Adds that a manufacturer can not deny an incentive claim due to clerical and administrative mistakes that does not put into question the validity of the claim. 3) Adds that a dealer has (60) days to resubmit claim for payment of an incentive claim if the claim is denied or dealer is issued a charge back. 4) Adds that a franchised auto dealer has (90) days after the expiration of the incentive program to submit a claim for payment to the manufacturers. 5) Limits the ability of the manufacturer to issue incentive claim audits and charge backs to one year following the date of payment of vehicle claim. 6) Adds that a manufacturer may issue charge backs for fraud under Idaho fraud statutes.

With regards to audit periods of an incentive program, this bill would bring parity to the auto industry in Idaho by implementing legislative language that already exists with regards to warranty reimbursement audits. (The manufacturer retains the right to audit claims and to charge the dealer for unsubstantiated, incorrect, or false claims for a period of one (1) year following payment. (Idaho Code 49-1626)

Thirty six other states have similar laws.

MOTION: **Rep Hart** made a motion to send **S 1152a** to the floor with a do pass recommendation. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 4:38 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 14, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** None.

Chair Wood called the meeting to order at 2:25 p.m.

GUESTS: See attached sign-in sheet and highlighted presenters below.

S 1126a **Senator Hill** presented S 1126a. This bill is one of a series proposed to modernize and streamline judicial and legal proceedings in automobile insurance litigation. These revisions to current law allow the insured to make claims against insurance policy amounts for which premiums have been collected. This protects family members, passengers and authorized users of the insured person's vehicle. This bill doesn't allow reduced coverage for family members who are driving the car, or people who have permission to drive the car. This bill prohibits hidden insurance clauses that some (not all) insurance companies insert into their policies that reduce coverage for a severely injured victim from what the policy limits generally allow to the minimum insurance limits required by the State of Idaho, which are \$25,000. This type of clause is commonly referred to as a "step down" clause.

This bill would not impact rental car companies. In 2005 the "Graves Amendment" to the federal transportation bill said States are not allowed to impose "vicarious liability" on rental companies. Federal law trumps state law so that already protects rental car companies.

The amendment provides non-liability to the owner that rents or leases a motor vehicle to a person under certain circumstances: A) the owner is engaged in the trade or business of renting or leasing motor vehicles; B) there is no negligence or criminal wrongdoing on the part of the owner.

Senator Hill has no objections to the amendment.

Ken McClure represents General Motors. They are not opposed to the bill but they are in support of the amendment. General Motors leases vehicles on 1,2 and 3 year terms. Their concern is the bill would make GM liable as owners of these vehicles when the driver was negligent.

Allyn Dingel represents State Farm. Their concern is Section 2 on page 3, lines 16 and 17 under 49-2417(2) which states, "or the limits of the liability insurance maintained by the owner, whichever is greater". Under

existing law 49-2417(2) the owners of the automobile are liable by the doctrine of "imputed negligence" regarding the monetary amounts of proof of financial responsibility which is set forth in Section 49-117. Under Idaho law, as many stated, the mandatory financial responsibility law is \$25,000 for injury to one person and \$50,000 for two or more. However, now we turn it upside down and go the other way that in the event that the owner happens to have a higher limit such as \$100,000.

Mr. Dingel also opposed the effective date of July 1, 2007 as being too soon for the insurance companies to prepare forms and underwrite the policies.

Woody Richards represents Property Casualty Insurers Association. According to 2004 data, which is the most recent data available, the national percent of uninsured motorists is 14.6% and Idaho's rate is approximately 9%. General inflation costs already put upward pressure on insurance costs every year. These additional costs to the consumer could potentially cause more uninsured motorists. They are also concerned with the effective date and the time needed for computer programming, rewriting the wording of policies, and repricing coverages.

Paul Jackson, feels that the interpretation of lines 15 and 16 that states "the limits of the liability insurance maintained by the owner, whichever is greater" brings up an argument that the policy (maintained by the owner) could be referring to one or more policies of the owner. This could be referred to as "stacking".

Kurt Holzer testified in support of S 1126a. **Mr. Holzer** is a practicing attorney. I would like to talk about the things the bill doesn't do. This bill doesn't impact minimum limits policies of \$25,000. This bill only affects the insurance policies in excess of the minimum liability limits. This bill does not create any new liability or theory of liability in Idaho. Idaho law currently states that the owner of the vehicle who allows someone, such as a child or sibling to drive his vehicle, is responsible for injuries caused by that vehicle due to the driver's negligence. This bill does not expose owners to personal liability. The liability is limited to the owner's insurance. This bill does not make the owner of the car insurance coverage primary but the driver's insurance is primary.

Skip Smyser represents Hertz Corporation. He testified in support of the amendment.

MOTION:

Rep Moyle made a motion to send **S 1126a** to General Orders with committee amendments attached. A voice vote was taken. **Motion approved.**

Chair Wood announced that S 1166 would be heard before S1131.

S 1166

Senator McKenzie presented S 1166. The purpose of this bill is to require candidates for the position of highway district commissioner to file a declaration of candidacy at least ninety days prior to the general election. The reason for this requirement is to allow county clerks sufficient time to print ballots.

MOTION: **Rep Hart** made a motion to send **S 1166** to the floor with a do pass recommendation. A voice vote was taken. **Motion approved.**

S 1131 **Roy Eiguren** presented S 1131. This legislation would create a special, standardized design license plate for a national 501(c)3 non-profit corporation that is also incorporated in Idaho. The corporation is Support Our Troops, Inc., a public charitable organization established exclusively to support the families of the men and women from Idaho who serve in all components of the United States Military. Support Our Troops, Inc. is organized in all fifty states. To date, 45 of the 50 states have created special license plates to provide funding to Support Our Troops, Inc. It is anticipated that by the end of this year such license plates will be established in every state in the Union. The proceeds from these license plates will be added to other revenue sources available to Support Our Troops, Inc. to assist Idaho's military families with their living, educational and health care needs. Support Our Troops will work in conjunction with the Idaho Guard and Reserve Families Support Fund, Inc." in the distribution of funds to families. **Attachment #1.**

Mr. Eiguren referred to a letter from the Attorney General. **Attachment #2.** As long as the \$10.00 fee goes to the Idaho Department of Transportation these plates are lawful.

The cost of the plates are borne by the organization the money received from the sale of the plates supports. The money from the plates sold in Idaho will stay in Idaho. Idaho will also receive some money from the national organization.

The Support Our Troops organization will distributed the monies through the Idaho Guard Reserve Families Support Fund.

There will be a full accounting provided to the committee in the future.

Julie Pipal stated that the Idaho Transportation Department keep a record of how many plates are sold.

MOTION: **Rep Nonini** made a motion to send **S 1131** to the floor with a do pass recommendation. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 3:20 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 16, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

ABSENT/EXCUSED: Rep Smith(24), Bedke

Chair Wood called the meeting to order at 1:32 p.m.

GUESTS: See attached sign-in sheet and highlighted presenters below.

Minutes: **Rep Wills** made a motion to accept the minutes of March 12, 2007, as written. A voice vote was taken. **Motion approved.**
March 12, 2007

S 1123a **Senator McKenzie** presented S 1123a. The purpose of the Peace Officer and Detention Officer Temporary Disability Act is to provide a full salary to employees in certain dangerous occupations whom have been injured on the job. The bill would create a dedicated fund that would generate approximately \$200,000 in a full fiscal year.

Large and more affluent districts already have a similar type of benefit available for their officers.

Joel Teuber legislative chairman of the Fraternal Order of Police testified in support of S 1123a. Policing in Idaho is dangerous. Officers accept the physical danger of their job, they shouldn't face additional financial risks for running into harm's way. No other group of employees face the risk to life and limb that officers face on a daily basis.

This bill uses a \$3.00 fine assessed for all felony convictions. Traffic infractions are not affected. Every agency (city, county, etc.) would continue to pay the injured officer's full base salary. The injured officer would sign any worker's comp salary checks over to the employer. The employer would be reimbursed (the difference between worker's comp payments and full salary) from the fund.

Cities and counties that cannot afford this would be able to provide full salary to officers injured in the line of duty. For those agencies that already provide this, the financial burden is shifted from the taxpayers to the criminals. If an officer is catastrophically injured, this ensures he/she will receive his/her full base salary until such time as he/she is ruled totally and permanently disabled. If an officer is temporarily disabled, it ensures the officer will still receive full base pay while out on worker's compensation.

Mr. Teuber mentioned some concerns and criticisms: 1) 67% paid by worker's comp already makes an officer whole. His response, the

maximum weekly pay for worker's comp is \$524 for an officer with a lot of experience, training or rank, and depending on where they work, this is grossly inadequate. This could amount to a 50% pay cut and more in some circumstances. 2) This is a local issue not a State concern. **Mr. Teuber's** response, officers are certified by the State no matter which jurisdiction they work for and the funding comes from convictions from every county in the State. All Idaho agencies are having trouble recruiting and retaining officers, partly due to pay and benefits. Many local agencies would love to provide this benefit but cannot afford it. 3) This is a disincentive to return to work. **Mr. Teuber's** response, officers fight like mad to return to work as quickly as possible. Worker's comp doctors decide when an employee is fit to return to work, not the employee. If an individual abuses the system, there are already laws in place to address worker's comp fraud.

Bill Braddock, Chief Deputy Boise County Sheriff testified in support of the bill. The problem we have as a small agency is retaining officers. Being able to offer this type of benefit would help recruit and retain these officers.

Ron Winegar a Boise Police Department officer supports S 1123a.

Paul Jasgsh Fraternal Order of Police supports S 1123a.

Rep Wills presented several amendments to the bill. Senator McKenzie had no objection to these amendments. The amendments would clarify a "call" as an "emergency" call that involved the pursuit of a criminal where "an emergency" is defined by department policy.

Mindy Montgomery Director of Idaho Industrial Commission stated the Industrial Commission had concerns with their ability to administer and implement this program and fund without additional staff, possibly a full-time position.

George Gutierrez, Idaho Industrial Commission, Bureau Chief, Crime Victims Compensation described the collection and distribution of the fund.

MOTION:

Rep Roberts made a motion to hold the bill to the call of the chair referencing several concerns and issues the committee had with the bill. A voice vote was taken. **Motion approved.**

Chair Wood referred the committee to information from the Local Highway Technical Assistance Council and asked they look at it for future reference and possible presentation.

ADJOURN:

There being no further business the meeting was adjourned at 3:40 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 20, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** None

GUESTS: See attached sign-in sheet and highlighted presenters below.

Chair Wood called the meeting to order at 3:37 p.m.

**Minutes
March 14, 2007** **Rep Smith(24)** made a motion to accept the minutes of March 14, 2007 as written. A voice vote was taken. **Motion approved.**

**Minutes
March 16, 2007** **Rep Smith(24)** made a motion to accept the minutes of March 16, 2007 as written. A voice vote was taken. **Motion approved.**

Chair Wood introduced **Lance Holmstrom**, Local Highway Deputy Administrator to give a presentation on Local Highway Technical Assistance Council (LHTAC). The LHTAC has been in existence for more than twelve years. The Council and staff continue to assist the Local Highway Jurisdictions in their many needs for technical assistance.

LHTAC is providing a necessary linkage between Local Highway Jurisdictions and the Idaho Transportation Department in the utilization of federal-aid highway funds available to the Local Highway Jurisdictions in Idaho. LHTAC makes an annual recommendation of highway and planning projects for federal-aid funding to the Idaho Transportation Board. In 2003, LHTAC took over the Local Bridge Program projects. That has increased the ongoing development of plans, specifications and estimates for projects throughout the state. The Local Federal-aid Program for 2006-2010 is estimated at more than \$164 million. Taken together these activities have resulted in a more efficient use of funding.

There are two new members on the council. Shawn Larsen, Mayor of Rexburg replaced Linda Milan and Tad Hegsted, Commissioner from Jefferson County replaced Brooke Passey.

The Local Highway Technical Assistance Council's mission is to assist the 288 Local Highway Jurisdictions with utilizing the available resources for maintenance and construction of Idaho's Local Highway system in the most efficient and effective manner possible.

Chapter 24, Title 40, Idaho Code gives the LHTAC ten areas of authority.
1) Represent its member jurisdictions in conferences, meetings and

hearings. 2) Develop uniform standards and procedures. 3) Cooperate with and receive and expend aid and donations from the federal or state governments and from other sources for the administration and operation of the Council. 4) Make recommendations to the Idaho Transportation Board for the distribution and prioritization of the federal funds for local highway projects. 5) Assist the Legislature by providing research and data relating to transportation matters affecting local high way jurisdictions within the state. 6) Maintain and disseminate information to local highway jurisdictions of federal and state legislation and administrative rules and regulations affecting local highway jurisdictions. 7) Maintain and disseminate information to local highway jurisdictions of activities relating to ground transportation in other states. 8) Act for local jurisdictions through joint exercise of powers agreement with any other local jurisdiction, state or federal agencies. 9) Buy, sell, receive and exchange property, both real and personal, as necessary to perform its functions. 10) Be the sole and exclusive authority for the expenditure of the moneys made available by appropriation or otherwise to the council.

Attachment # 1.

Chair Wood stated, Senator McKenzie was delayed so S 1123a will be moved to the end of the agenda.

S 1138

Roy Eiguren representing Amalgamated Sugar Company and American Ecology Corporation presented S 1138. This legislation amends Section 49-1004, Idaho Code, relating to the special pilot project routes and permits for 129,000 pound overweight vehicle loads. The bill will add to the list of designated state special pilot project routes in southern Idaho.

Attachment # 2. In 2003 the legislature passed a bill that established a pilot project that will last 10 years to test the more efficient trucks in southern Idaho. At that time there was unanimous opposition to allow these trucks north of the Salmon river. The 2003 legislation did several things; 1) It opened about 100 miles of state highways in southern Idaho that had been pre-approved by the Idaho Transportation Department for 129,000 pound overweight vehicles. 2) It directed the ITD to engage in monitoring this program and reporting back to the legislature the results of analysis studies on the project every 3 years. ITD gave a report earlier in the session that stated they needed additional data for this analysis to be complete. Until ITD gets this additional information they have a neutral position on this legislation. **Mr. Eiguren** stated for the record the coalition he represents fully understands if the study finds that these 129,000 pound trucks have a negative impact on Idaho roads, bridges and public safety, the legislature may decide the pilot project be disbanded.

Bryan Whipple Transportation Manager for Amalgamated Sugar Company testified in support of S 1138. Raising weight limits on Idaho highways will result in trucks that are safer, better for the environment, and better for the economy. **SAFETY-** The safest truck is one that is parked, and raising the weight limit will take one out of every five trucks off the road. It makes sense that if you can carry more on each truck, you don't need as many trucks. Heavier trucks have more braking power. The three additional axles mean more brakes, and even with the additional weight, stopping distance is the same or better than existing trucks. **ENVIRONMENT -** Fewer trucks on the road means we'll use less diesel, which reduces emissions, including the small particulates that affect our

lungs. Using less fuel improves air quality, which is especially important in areas such as the Treasure Valley. Using less fuel also means we can reduce our dependency on foreign oil. ECONOMICS - Raising weight limits will save taxpayers money by reducing wear and tear on our highways. With three additional axles, these trucks have more tires, better distributing the weight. Much like snowshoes distribute your weight atop the snow, having more tires leaves a softer footprint on the pavement. Raising the weight limit will make Idaho more competitive with its neighbors who already have higher limits, like Utah, Nevada, Montana, and Wyoming, and British Columbia. They have lower freight costs than Idaho, and raising our limits will level the playing field and make us more competitive. Growers will spend the money they save on freight costs in their local communities, benefitting local merchants and increasing tax collections for the state.

Matt Farrar, Idaho Transportation Department Bridge Engineer in a response to a question stated the bridges on these routes have been inspected and are safe at these weights. The trucks all travel by permits so we know where they are going and exactly how much they weigh. The bridges will be monitored and inspected once a year.

Toy Smith, Director of Market Development for Northwest Dairy Association testified in support of S 1138.

Jane Wittmeyer, Vice President for Idaho Affairs for the Intermountain Forest Association. IFA is an organization of Wood Products Manufacturers, timberland owners, and related businesses in the northern rockies. IFA express support for S 1138 and S 1180 bills that add additional pilot project routes to the current study. These bills further stimulate conversation on the need for transportation efficiencies and provides a platform for more discussion throughout Idaho on these issues. There are individuals and companies in North Idaho that do support having pilot project routes on ITD approved roads in north Idaho.

Suzanne Budge Schaefer representing Scott Atkison, CEO of Bennet Forest Industries, Inc. supports S 1138 but also urged the legislature to include in the pilot project tests of 129,000 pound truck weights on a new route that includes US Highway 95 from Grangeville to Potlatch's mill in Lewiston and to the Port of Lewiston. **Attachment # 3.**

There were concerns in the committee about the negative effects the 129,000 pound trucks would have on Idaho roads. **Rep King** sighted a report that showed these trucks did damage roads in other states. **Mr. Eiguren** stated there are other studies that would contradict those findings. It is the intent of the legislature with the pilot project tests Idaho will collect it's own data to determine the effects of these trucks on Idaho roads.

MOTION:

Rep Roberts made a motion to send S 1138 to the floor with a do pass recommendation. A voice vote was taken. **Nay** (Rep Smith(24), Shepherd (2), Ringo, King). **Motion approved.**

S 1180

Roy Eiguren presented S 1180. This proposed legislation is a trailer bill to SB 1138 to include a Pilot Project route that was intended to be

included in the original bill. This route connects the existing northern end of current access for 129,000 pound equipment on Yellowstone Avenue in Idaho Falls to Highway 20 at Sugar City. This route is important to the economic movement of aggregates and building material in the area.

Idaho Transportation Department has taken no position on either piece of legislation S 1138 or S 1180.

MOTION: **Rep Roberts** made a motion to send S 1180 to the floor with a do pass recommendation. A voice vote was taken. **Nay** ((Rep Smith(24), Shepherd (2), Ringo, King). **Motion approved.**

S 1123a **Senator McKenzie** presented S 1123a with amendments that were discussed when the bill was heard Friday, March 16, 2007. The bill would create a dedicated fund that would generate approximately \$210,000 in a full fiscal year. It is anticipated that the Industrial Commission will require ½ FTE to administer the dedicated fund at a cost of \$30,000 per fiscal year, which would come from the dedicated fund.

Joel Teuber from Fraternal Order of Police presented the other amendments. The amendments clarifies the language. This legislation does not require an agency to pay if the monies are not available in the fund. It clarifies the effective date to start fee collections (July 1, 2007) and for pay outs (July 1, 2008) from the fund. It clarifies when an officer qualifies for worker's compensation he will also qualify for pay out from this fund.

Sherri Wood, President of the Idaho Education Association testified in support of S 1123a and stated that the Association would not ask for a similar benefit.

MOTION: **Rep Moyle** made a motion to send S 1123a to General Orders. A voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 5:25 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary

MINUTES

HOUSE TRANSPORTATION AND DEFENSE COMMITTEE

DATE: March 22, 2007

TIME: 1:30 p.m.

PLACE: Room 412

MEMBERS: Chairman Wood, Vice Chairman Hart, Representatives Smith(24), Roberts, Bedke, Wills, Moyle, Nonini, Mortimer, Hagedorn, Shepherd (2), Ringo, King, Ruchti

**ABSENT/
EXCUSED:** Rep Moyle, Roberts, Hagedorn

GUESTS: None

Chair Wood called the meeting to order at 1:27 p.m.

Minutes: **Rep Ringo** made a motion to accept the minutes of March 20, 2007. A
March 20,2007 voice vote was taken. **Motion approved.**

ADJOURN: There being no further business the meeting was adjourned at 1:35 p.m.

Representative JoAn Wood
Chairman

Chris Taylor
Secretary